



THE INDEPENDENT

40p (IR 45p)

WEDNESDAY 24 JANUARY 1996

The thinking person's guide to the world
Part Two: Global affairs

Fly now Pay later

Bridget Jones's diary

Millions of pounds being wasted through train drivers' outdated working practices Revealed: railmen's 1½ hour day

EXCLUSIVE
CHRISTIAN WOLMAR
Transport Correspondent

Train drivers spend as little as nine minutes an hour actually driving and even less at weekends according to a study which will be used by the newly-privatised rail operators to push through changes in working practices.

It suggests that while productivity in the rail industry has improved recently, involving the loss of tens of thousands of jobs, there is scope for new operators to make dramatic cuts to the £439m annual bill for

train drivers. A firm of independent consultants has produced the report after studying working practices and management techniques on Great Western Railway and South West Trains, which were two of the initial franchisees awarded under the privatisation process. The findings suggest that enormous savings could be made by new private operators taking on the running of services if they are prepared to persuade ASLEF, the union which represents 12,000 drivers who are paid between £13,000 and £30,000, of the need for change. The study, using British Rail information, was carried out by

by David Smith, a former rail manager with 35 years experience in the industry who has set up a consultancy, Western RAILS.

Looking at the Plymouth depot where there are 56 drivers, Mr Smith found that for every hour of drivers' time paid by the company, the drivers are in the cab running a revenue-earning train for only 9.6 minutes per hour during the week. At weekends, the productivity is even less, with Saturday the worst day at just 7.5 minutes per hour, giving a weekly average of around 9 minutes.

There are 1.5 drivers for every rostered duty that needs

covering, whereas a "well-managed organisation would normally be able to cope with a ratio of 1.25 drivers per job to cover for holidays and sickness," according to the report.

Typically, on one Thursday early last year 26 of the 56 drivers were on unproductive duties.

There were 17 drivers "spare" which means they are intended to cover sick colleagues. One driver was on routine revision, another taking a train on trial, while a further seven were employed on "preparation and stabling", which means driving engines round the depot.

Mr Smith said that such work could easily be carried out by filters rather than drivers.

Another eight drivers were on rest day, which meant there were only 22 drivers running trains being covered by 17 "spare" drivers.

Another practice scrutinised was the limit placed on the of mileage that can be covered by a driver in one duty.

When drivers are on the Plymouth-Paddington-Plymouth duty, they have to get off at Exeter on the return journey and allow a colleague to take over the train because they are not allowed to drive more than 450 miles.

The first driver goes as a passenger "on the cushions" as it is called. Plymouth to London and back is 452.8 miles.

Mr Smith said that the situation at Plymouth was typical of the industry. He used to work for South West Trains, "where the situation was only slightly better".

He argued that at SWT, with properly designed timetables and a better managed labour force, more trains than the existing timetable could be run with half the labour force.

If working practices in the industry were renegotiated, even greater improvements could be achieved.

Mr Smith said: "Productivity is bad overall and wages are hobbled by ancient bonuses and supplements. Better productivity would mean better paid, but fewer, drivers."

Levi Adams, general secretary of ASLEF, did not challenge the findings but defended the drivers' productivity.

He said: "It is easy to look at these things simplistically, but there are always more complex issues involved."

Drivers did not just operate trains: "Drivers have to be responsible for the disposal of the train, paperwork and writing reports on incidents. They need to keep abreast of

changes by studying notices, learning routes and going on safety days." ASLEF also argued that the importance of safety training has been emphasised by reports of accidents like the Clapham disaster but the content of the training was criticised by one driver who said: "We are taught things like not to eat the soap."

A spokesman for Great Western Trains said that the figures did not "reflect the whole duties of our drivers" but refused to provide alternative figures or to discuss the details of why there were so many "spare" duties. Back in the 1930s, page 2

Era ends as Forte loses bid battle

MATHEW HORSMAN
DAVID HELLIER
and JAMES CUSICK

The mighty Forte dynasty yesterday conceded defeat in one of the most fiercely fought takeover battles ever, succumbing to a £3.8bn hostile bid from Granada, the television and leisure company.

The news that Forte's shareholders had overwhelmingly accepted Granada's terms was met with bitter disappointment in the Forte camp, particularly by Sir Rocco Forte, his father, Lord Forte, and his sister, Olga Polizzi, the principal family shareholders.

Sir Rocco, 51, head of the hotel and catering empire built up by his father and grandfather, forced an almost continuous 10-minute smile onto his face to hide his disappointment.

In a shaky voice, he said: "We delivered a lot of value for our

shareholders. We did a very good job in defending this company and I am only sorry for the people in the business who have helped take it forward."

The Forte family will receive £300m if they tender their shares to Granada, which observers last night predicted. "There is no point now in hanging on," a senior City analyst said. "They have lost."

The Forte family is expected to relaunch a family-run hotels company, possibly by purchasing some of the hotels being sold by Granada. At the end of yesterday's press conference Sir Rocco said: "I'll be back."

Granada's chief executive, Gerry Robinson, said he was delighted with the outcome of the two-month-long battle. "I won and lost this bid so many times in my heart," he said.

"This was a battle between two opposing philosophies," said Sir Rocco, describing the



Seen up: Sir Rocco Forte announces the defeat of his family by Granada. He ended the press conference with the words: "I'll be back"

Photograph: Dillon Bryden

fight between Granada's cost-cutting management and his family-led team. "We have lost the bid, but I do not believe we have lost the argument."

Granada has won control of Forte's chain of luxury hotels, including a stake in the Savoy

Group of hotels and restaurants, as well as the Happy Eater and Little Chef roadside catering businesses and the Travelodge budget hotel chain.

Granada intends to sell £2m, to pay for the bid and focus the new business on roadside

restaurants and on budget and mid-market hotels. A stake in the Savoy Group will be sold, as will be the Meridien and Excessive hotel chains.

Granada intends to keep the 430 Happy Eater and Little Chef restaurants, of which al-

most 100 will be transformed into fast-food outlets, featuring brand names, such as Burger King. Mr Robinson promised that job losses would not top 1,000, and said he intended to meet Sir Rocco and other senior managers today.

Mr Robinson paid tribute to Forte's defence. "It was pretty sparkling, and if anyone thought Forte was going to say here you are, they were wrong."

But Granada's bid swayed institutional shareholders looking to lock in profits and willing to

bet Mr Robinson could provide profits. It relied particularly on support from Mercury Asset Management, which held a vital 14 per cent of Forte.

Rocco lost everything, page 3
MAM clutches deal, page 16
City Comment, page 17

Mitchell takes soft line on IRA arms

DAVID McKITTRICK
Ireland Correspondent

The Mitchell report on illegal arms in Northern Ireland has concluded that paramilitary groups will not decommission weapons in advance of all-party negotiations, as demanded by the British Government.

It has instead laid out six principles of non-violence and democracy and recommends that, in the absence of prior decommissioning, all parties involved in talks should make a commitment to the principles.

They include absolute commitments to peaceful means and eventual total disarmament, which should be verifiable by independent means. Another is a declaration that if those involved in talks disagreed with their eventual outcome they would oppose this outcome by exclusively peaceful methods.

It mentions the possibility of paramilitary groups decommissioning weapons in the course of all-party talks rather than in advance of them. The report is the work of a three-man international commission

headed by former US Senator George Mitchell, which put it together in an intensive two-month period of meetings in Belfast, Dublin and London.

The report will be formally published this morning and there will be government statements in London and Dublin later in the day.

Its import is that the Government's stipulation, known as "Washington 3," that the IRA and other groups should decommission some weapons in advance of all-party talks, is not realisable.

The purpose of the Mitchell group, set up jointly by the British and Irish governments, was to find some way out of the impasse over arms which has held up the Irish peace process.

The Government has made it clear it is under no obligation to accept any of the report's findings and recommendations. The question now is whether the Government accepts Washington 3 as unrealistic, and accepts that subscribing to the principles of non-violence and democracy would be enough to allow Sinn Fein entry into talks.

Sinn Fein will be relieved that Mr Mitchell and his colleagues have not joined London in insisting on prior decommissioning, since the IRA has flatly ruled out any such move. The report's suggestion of confidence-building measures is intended to reassure other participants in talks, and also to bind the republicans more tightly than ever before into the political processes.

The Government may seize upon one of the possible confidence-building measures referred to in the report, that of

"an elective process" as part of negotiations. This is a reference to the idea that a new assembly could have a part to play in negotiations. The idea of an assembly has been strongly opposed by both Sinn Fein and by John Hume's Social Democratic and Labour Party.

The report goes on to consider various ways of disposing of weapons, mentioning that if weapons were to be destroyed by paramilitary groups themselves an independent body would be needed to verify this. Leading article, Page 14



Are You A Poor Talker?

A SIMPLE technique for acquiring a swift mastery of everyday conversation and writing has just been announced. It can pay you real dividends in both social and professional advancement. It works like magic to give you added poise, self-confidence, and greater popularity.

Influence
Many people do not realise how much they could influence others simply by what they say and how they say it. Those who realise this radiate enthusiasm, hold the attention of their listeners with bright, sparkling conversation that attracts friends and opportunities wherever they go. Whether in business, at social functions, or even in casual conversation with new acquaintances, there are ways in which you can make a good impression every time you talk.

Free
To acquaint all readers of The Independent with the easy-to-follow rules for developing skill in everyday conversation and writing, we, the publishers, have printed full details of this remarkable home-study method in a fascinating book, "Adventures in Speaking and Writing", sent free on request. No obligation. Simply complete and return the coupon on Page 10 (you don't even need to stamp your envelope). Or write to: Effective Speaking Programme, (Dept. 1DS16), FREEPOST 246, London WC1A 1BR.

IN BRIEF

Child bride: Mother accused

The mother of Sarah Cook (right), the 13-year-old who married a Turkish waiter, may be charged with encouraging her daughter's statutory rape and kidnap.

Jackie and Adrian Cook were paid £20,000 by the Sun for their daughter's story, and have insisted that they did the right thing for their child.

Turkish authorities say the marriage was not valid under either civil or religious law. Musa Komeagac, the 18-year-old who Sarah married, has already been arrested and charged with rape, kidnap and "running away with a girl under 15". Page 3



Driven to violence
Road rage has reached epidemic proportions with half of all drivers being attacked or abused in a year. Page 5

Lottery luxury
Britons are splashing out on just one luxury - the National Lottery, a survey says. Page 4

Today's weather
Cold and windy with rain in the south and some snow in the north. Section Two, page 25

Harman set for showdown with angry Labour MPs

DONALD MACINTYRE
and JOHN RENTOU

Harriet Harman will meet her Labour critics head-on this morning after Tony Blair, the Labour leader, yesterday ordered his party to "close ranks" and end deep divisions over her decision to send her 11-year-old son to a grammar school.

Ms Harman yesterday took the unexpected decision to attend the regular meeting of the Parliamentary Labour Party for what promises to be a showdown with angry Labour MPs. It will be the first formal opportunity backbenchers have had to voice their fury.

As the Labour leadership fought to contain the political

fall-out, Mr Blair let it be known to colleagues that the "clamour" and "squalid hounding" of Ms Harman by the Tories must be faced down.

Disarray in the senior ranks of the party over Ms Harman's decision appeared last night to be underlined by a curt statement from John Prescott, deputy leader of the Labour Party.

Mr Prescott, whose aides strongly denied he had a row with the Labour leader over the issue, declared: "Tony Blair as leader of the Labour Party has made clear what the position is and I have nothing to add."

Earlier he had sat glowering beside Mr Blair when the party leader came under fire from John Major in Commons

exchanges that delighted Tory backbenchers. In one taunt, the Prime Minister invoked the Labour leader's famous slogan about crime, and declared: "You should not be so sensitive about your difficulties. I just want to be tough on hypocrisy and tough on the causes of hypocrisy."

Implicitly acknowledging criticism over his backing for Ms Harman, Mr Blair thanked Mr Major for his "kind words of concern over pressure. The difference between me and you is that I won't buckle under it."

Mr Blair, facing the stiffest test of his authority since he became leader in 1994, has made it clear the party must show its "mettle under fire".

With new public calls for her resignation from at least two more Labour MPs, many Labour MPs, including some in the shadow cabinet, appeared to believe she should have resigned before announcing her decision on her son's school.

Ms Harman's appearance at the PLP meeting this morning will astonish many of her critics. Roy Hattersley, the former deputy Labour leader who criticised Mr Blair's decision to send his son to the London Oratory, an opted-out school, is likely to speak at the meeting. Several Labour MPs said it was "very unlikely" Ms Harman would be re-elected to the shadow cabinet in November. Leading article, page 14

section ONE

BUSINESS 16-20 COMMENT 14,15 CROSSWORD 24 GAZETTE 12
LEADING ARTICLES 14 LETTERS 14 NEWS 2-11 OBITUARIES 12
OBITUARIES 12 SHARES 19 SPORT 21-24 UNIT TRUSTS 20

section TWO

ARTS 8-12 BRIDGET JONES 7 CHESS 26 CROSSWORD 26
FINANCE 18 LAW 13,14 LIFE 6 LISTINGS 24,25 REVIEWS 12
THEATRE 10,11 TRAVEL 22 TV & RADIO 27,28 WEATHER 25

news

Call for action on pensions 'time bomb'

NICHOLAS TIMMINS
Public Policy Editor

Radical proposals to tackle the pensions "time bomb" were called for yesterday by an independent inquiry.

A new guaranteed minimum pension would be introduced. If pitched at £73.50 a week for a single person, £15 higher than the present basic state pension, it would involve a net cost of between £1.5bn and £3bn a year, providing help to the least well-off pensioners.

The State Earnings Related Pension Scheme (Serps) would be phased out and replaced by privately-run funded schemes with compulsory contributions. These would be either existing occupational and personal pensions or payments into a new national pension scheme run independently of government and likely to be particularly attractive to the lower paid.

The changes would involve existing workers and employers paying twice. Initially they would have to find an extra 0.5

to 0.7 per cent of earnings as they fund the remaining commitments in Serps while investing for their own second-tier pension. Two factors force the change, according to the Retirement Income Inquiry, which was chaired by Sir John Anson, former second permanent secretary at the Treasury, and funded by the National Association of Pension Funds.

First, there will be a sharp drop next century in the ratio of people of working age compared to pensioners numbers—

down from 3 to 1 to 1.6 to 1—making tax funding of pensions increasingly difficult. And the least well-off are becoming increasingly reliant for their pensions on complex, unpopular means-tests which are expensive to run and penalise those with small savings while failing to provide an adequate income, the inquiry said. Its recommendations mirror some of the proposals put forward by Labour's Commission on Social Justice. But they also pick up on ideas for funded second pen-

sions supported by Sir Norman Fowler and Sir Keith Joseph, when they were Secretaries of State for Social Services.

Moving from Serps, paid for by current National Insurance Contributions, to schemes in which people owned their own fund may produce greater willingness to contribute, the inquiry argued. In time, it would reduce the competition for tax funding between pensions and other social programmes such as health and community care. The package produced cau-

tious political reactions. The Department of Social Security welcomed it but said detailed study would be needed before conclusions could be reached, while Labour refused to commit itself to any of its particular proposals or costs. Age Concern welcomed the report's "pragmatic approach".

The inquiry rejects on the grounds of unaffordability the "popular" idea of restoring the basic state pension to its 1979 level, arguing that it would cost an immediate £6.6bn, the equiv-

alent of 3p on income tax, and £50bn by 2030. Restoring the value of Serps, is rejected on similar grounds. Instead, the basic state pension should remain, still linked only to prices but topped up to provide an assured pension which would rise with earnings, protecting pensioners' living standards.

□ *Pensions: 2000 and Beyond. Report of the Retirement Income Inquiry. Vol 1: Report. £5.50; Vol 2: Analysis of Options. Available from Shelving Ltd, Folkestone, CT20 2BL; £10.50.*

IN BRIEF

Court reprieve for death row convicts

Nine prisoners on death row in Belize yesterday won a temporary reprieve from Law Lords on the Privy Council in London.

The council — the final court of appeal for 16 Commonwealth countries — dismissed a claim by the Belize government that British judges had no power to intervene. They will now go on to decide the merits of the men's appeals against convictions for murder and their death penalties.

Over the years the Privy Council has reprieved hundreds on death rows in the Commonwealth. The United Democratic Party, which governs Belize, wants to divorce itself from the Privy Council, but lacks the two-thirds majority needed for law reform.

Rushdie beaten

A first novel by Kate Atkinson, *Behind the Scenes at the Museum*, scooped the £21,000 Whitbread Book of the Year award ahead of hot favourite Salman Rushdie. *The Moor's Last Sigh*, Rushdie's first novel since *The Satanic Verses*, had been heavily tipped for the prize, presented at a dinner in London last night.

RAF pilot killed

An inquiry was under way after an RAF Jaguar crashed on take-off at RAF Coltishall, in Norfolk, killing the pilot. The single-seater attack and reconnaissance jet was on a routine training flight. The pilot's ejector seat had worked though his body was not found with it.

Prison first

Ron Hill, a demolition company director, became the first person to be jailed for breaking health and safety legislation after being found guilty at Bristol Crown Court of failing to prevent the spread of asbestos from a razed factory. He was sentenced to three months with £4,000 costs.

Bypass toll mounts

The bill for security guards to allow contractors to fell trees in the path of the Newbury bypass has already soaked up £100,000 of the £500,000 set aside to ensure the work is not impeded unduly by protesters, the Highways Agency revealed.

Computer crime

Computer criminals could be costing industry up to £1bn a year, a report by the Association of British Insurers warned. It estimates £200m a year losses from computer theft could be five times higher when uninsured losses, lost business opportunities, production and service are taken into account.

Pregnant pause

A hospital maternity unit has been forced to advertise for temporary staff and extend part-time workers' hours because 13 of its midwives are pregnant. Two doctors and secretary at the unit at Bishop Auckland general hospital, Co Durham, are also expecting.

THE INDEPENDENT ABROAD

Austria	...Sch40	France	...F5.00
Belgium	...Bp80	Italy	...I4.50
Canada	...Cp300	Madagascar	...M3.25
Cyprus	...Cp1.20	Malta	...M3.25
Denmark	...Dp1.10	Norway	...Np2.00
Fish Rep	...Fp1.50	Portugal	...Pp3.25
France	...Fp1.4	Spain	...Sp3.00
Germany	...Dp4.5	Sweden	...Sv2.00
Greece	...Gp4.50	Switzerland	...Sw4.00
Luxembourg	...Lp60	USA	...U\$10.00

OVERSEAS SUBSCRIPTIONS

By mail, 13 weeks: Europe £110.75; Zone 1 (Middle East, Africa, Asia and India) £104.00; Zone 2 (Far East and Australasia) £206.70. To order, please send cheque payable to Johnstone International Media Services Ltd to 43 Market Street, London E14 9JR or telephone 0121-636 8288. Credit cards welcome.

BACK ISSUES
Back issues of the Independent are available from: Historic Newspapers, telephone 0888 402455.

US phone giant moves in on BT

MARY FAGAN
Industrial Correspondent

AT&T of the US, one of the world's largest telecommunications companies, is taking on BT in its home market with telephone and multimedia services for businesses and consumers. The American giant said that its new UK telephony company, with a workforce of 400, would have a \$1bn turnover within five years.

The launch coincided with new data from OfTel, the industry regulator, showing sharp improvements in BT's standards of service since privatisation. But the watchdog's report also highlighted poor performance on several counts by Mercury Communications, the company set up 12 years ago to be the main rival to BT.

Robert Allen, AT&T's chairman, said that customers in the UK want choice and affordable advanced services and pledged that the US group would invest for the long term. AT&T will start with services for large multinational companies with plans for consumers to be unveiled later this year, possibly involving links with cable television companies.

Mr Allen said: "This is a historic event in the history of AT&T. It is the first time we have done anything like this anywhere else in the world."

AT&T will use lines leased from BT, Mercury and other network operators and, if necessary, it will also build its own lines. Some large customers will have dedicated lines into AT&T's own switching system but the rules governing the industry dictate that others will have to dial a three-digit code to use the company's services.

Mr Allen added: "Our intention is to get this right rather than make a lot of noise. We will speak with actions rather than words." AT&T made it clear that it would aim to attract the higher spending customers. It also said that while its prices would be competitive they would not necessarily be the lowest available.

Mr Allen called for tougher regulation to prevent anti-competitive behaviour in the UK market and to ensure "an equal playing field". "There is clearly no mechanism for the regulator to detect, punish and prevent anti-competitive behaviour," he said.

His comments come as BT prepares for battle with Don Cruickshank, the director general of OfTel, over his proposals to take on sweeping new competition powers. BT must respond by the end of next week and, if the company cannot agree with Mr Cruickshank, it will be referred to the Monopolies and Mergers Commission.



Small beginnings: This model of the KdF Wagen, now known as the VW Beetle, is to be offered by Christie's at auction next month. Five of the models of the first test car were made at the Porsche Apprenticeship School in 1938. War interrupted production; the rest is automotive history.

Trains halted for safety checks

CHRISTIAN WOLMAR and
BARRIE CLEMENT

Nearly one hundred London suburban trains had to be withdrawn from service after drivers refused to operate them because of safety fears.

South Eastern Trains had to cancel about half its services for south London and North Kent while safety checks were undertaken on its 97 four-coach Networker trains built at ABB York over the past three years.

The Health and Safety Executive ordered the checks after a coupling broke on one of the trains over the weekend. A spokesman for South East

Trains admitted that faulty couplings had been found on several other trains but refused to say how many. He said: "We are checking all the trains for fatigue cracks in the couplings and this will take several days."

Commuters are likely to find their services disrupted over the next few days as nearly two thirds of South Eastern's Networker fleet are checked. As the trains are given the all-clear, they are being put back into service. Networkers built at GEC Alsthom are not affected.

Last night Brian Wilson, Labour's transport spokesman, predicted that disruption would last for several weeks. He said:

"There's a lack of couplings and repairs will take a long time. If this had happened after privatisation, the train company could have been bankrupted."

Following the initial incident, South Eastern ordered that the trains should run with the internal doors between carriages locked but the drivers refused to operate them because of concern that if the coupling broke, the two halves of the train might collide. There is an automatic brake but the drivers felt that there was still a risk of a collision if one part braked faster than the other.

The company had earlier accused the train drivers of tak-

ing "inappropriate action" but Lew Adams, leader of ASLEF, the train drivers' union, said his members had been vindicated in their decision to refuse to operate the trains.

"We talked to the company throughout Monday, trying to persuade them that locking doors simply wasn't the answer to the problem. How would people escape if there was a fire? What would happen if passengers needed to be evacuated if there was an accident? They wouldn't listen to us and tried to run the trains, but the drivers were having none of it."

Mr Adams said his members did not need to conduct a hal-

lot in order to refuse to work the trains because they were not taking industrial action. He pointed out that legislation provided for a refusal to drive trains where people were in serious and imminent danger.

A spokeswoman for the Health and Safety Executive (HSE) said its officials first heard about the problem on Sunday. Asked why drivers had taken action before the trains were taken out of service, the HSE said it could not take at face value what was being reported. The HSE finally took the decision yesterday after seeing the results of ultrasonic tests, the spokeswoman said.

Drivers' leisurely working day

The hours worked by train drivers are circumscribed by agreements and rule books stretching back to the Thirties, writes Christian Wolmar.

Therefore, every time train drivers arrive at the terminus, they are allowed five minutes to close the engine down, and a further five to walk to their depot. When they return to the train, they have another 10 minutes.

Such rigidity fits unhappily with the flexible practices needed in a modern industry which

faces strong competition from cars and buses. There is also considerable waste through inefficient rosters. Drivers will only work a maximum of nine hours and must always end up in the same place as they signed on.

Two typical duty turns from last year were obtained by the Independent. One shows the driver taking the 6am train from Plymouth to London, arriving at 9.30. He has a break and takes the 10.35 back to Ply-

mouth. Because drivers are not allowed to operate trains for more than 450 miles and Plymouth to London and back is 2.8 miles more than that, at Exeter a relief driver takes over. The driver has operated the train for nearly six hours.

Another driver picks up a train at Plymouth at 22.10, arriving at Laira two miles away at 23.20. He stays most of the night at the depot, taking a train at 5.05am to reach Plymouth at 5.28am to be the 6am to London.



Driving issue: Drivers follow rules laid down in Thirties

"Mr Parker... Mr Parker?"
"NO COMMENT"
"You were their landlord and they died in your..."
"I SAID NO COMMENT"
"Don't push me, please. I know you've gone back to cleaning your car, but don't you think the death of two boys deserves rather more of your time... don't push me..."

ONCE AGAIN, ONE OF OUR BEST REPORTERS GETS THE PUSH.

Hear John Waite risk writs and fists as he tracks down and confronts all manner of dodgy dealers, unscrupulous landlords and even government departments. Face the Facts. Wednesday at 7.20pm and Thursday at 9.05am.

RADIO 4
92-95 FM 198 LW

Granada raid: Forte senior grieves as £3.8bn bid ensures son loses the family hotel and leisure chain that was lifetime's work



Empire building: From left, Charles Forte in his first milk bar 50 years ago; Rocco in the Café Royal, which Forte bought in 1954; Rocco (left) and Olga in 1992 when their father relinquished control of THF; The Savoy, Forte's pride and joy

Rocco has lost everything his father built

VICKY WARD

"It takes a lot of courage to blame oneself when things go wrong. An unsuccessful person often blames everyone except the real culprit - himself." So wrote Lord Forte in the final chapter of his autobiography, *Forte*, published in 1986. Brave words, but, at the time, meaningless.

Then, Forte plc, the multi-million-pound hotel and restaurant company he had built single-handedly over five decades and wished to see expand under the leadership of his son and heir, Sir Rocco, had occasionally faltered but it had never fallen.

Now, though, after a lifetime's struggle - he is 87 - Lord Forte's dream is over. Granada, the television and leisure giant, has succeeded in its £3.8bn hostile takeover bid, ending 50 years of independence. Nobody other than those who know him can possibly imagine the scale of the old man's grief.

Friends say he is bound to summon a family gathering, either at his Belgrave home or his Surrey mansion pretty promptly.

They believe he is unlikely to wait until the habitual family lunch on Sunday, at which he still sits at the head of a vast dining room table.

"It will be absolutely awful," said one who knows the family well. "There will be a huge Italian explosion. Poor Rocco will have completely lost face. It is going to be ghastly."

If the scenario sounds absurdly like the plot of one of Al Pacino's films, one should remember that the story of the Forte's rise to prominence was not itself far off a rags-to-riches fairy-tale.

Charles Forte was born to a peasant family in the hamlet of Monforte in the Italian hills. They emigrated, moving to what was formerly Clackmannanshire in Scotland where the young Forte had to engage in playground fist-fights in order to win friends at the local school. His father took over an ice-cream parlour cum café, known as the Savoy - a very far cry from the hotel group he was later to take a stake in.

But the young Charles had a shrewd grasp of figures. Working on the principle that if one

café could make a profit of Y from an investment of X then there was no reason not to build a chain on the same X:Y ratio, he bought first one "milk bar" in Regent Street in the west End of London, and then another and another.

"His real talent," says one person who worked for him "was that he could spot an undervalued property instantly."

But relative business success, Forte soon realised, was not sufficient to succeed in Britain. Even after he had merged with the Trusthouse group - the manoeuvre that was to launch him into the league of super-rich industrialists - fought off a hostile bid from Allied Lyons and managed to take the whole company over by 1973, he still could not shake off the City's derogatory tag "the Milk Bar King."

Forte hated being a misfit in a snob-ridden society more than anything else. "In this country," he wrote "I believe that we are far too pushed around by an articulate minority."

Trusthouse Forte, which in 1973 was valued at £23m, therefore, contained one major prob-

lem for Forte - its image. It was a middle-market chain, comprised of unluxurious hotels and a plebeian clientele. Forte wanted class; he wanted the Savoy. "Mention the Savoy anywhere," he has sighed openly and nostalgically to reporters in these past few fraught weeks. "It's the name, the Savoy."

But in the Eighties when he



launched his bid for it there were many, including the Savoy's former chairman Sir Hugh Wontner, who thought his ambitions deluded. "Everybody knew that the Fortes simply did not understand the concept of luxury," says a city source. "Everybody it seems, were right."

Despite an increasingly strong personal friendship with

the Tory establishment - Forte had instant access to Baroness Thatcher and her Tory aides, Sir Charles Powell and the late Lord Thorneycroft - (who became president of the THF board) - he never gained total control of the Savoy. By 1994 he owned 68 per cent of the shares but only 42 per cent of the votes.

By now Forte had finally relinquished control of the group to his son, Rocco, 51, who had been appointed chairman in 1992. (He was appointed chief executive in 1983, but in practice Forte still ran the show.)

Forte is fantastically proud of his only son (he also has five daughters) whom he groomed for the succession since he was in his teens. According to *Tatler* magazine, Forte would visit Downside public school in Somerset every weekend ostensibly to take his son fishing, but in reality to discuss the finer points of entrepreneurship.

These past few weeks he has been confident that Rocco can fend off Granada's hostile bid. "We don't need a white knight," he has said publicly. "We've got Rocco."

But for whatever reasons -

some say it is his fault for not ensuring decent dividends, others say the rot started before he was in a position to do anything about it - Rocco has been unable to repeat history and stave off attack from outside. For him, yesterday must be the worst day of his life. "He has effectively lost everything his father built," a business colleague said. "He must feel awful."

The closeness of the family only emphasises the tragedy. Even though his six children are all grown-up and have children of their own, if he has not seen them for a couple of days, Lord Forte reportedly always asks them two questions: "Where have you been?" and "Have you rung your mother?"

Olga Polizzi, his eldest daughter, and the managing director of Forte, once said that they never saw much of other children when they were little because they had so much fun playing with each other.

They still go on holiday together, spend Christmas together - almost 40 of them in Lord Forte's house in Belgrave - and every Sunday lunch together, chez papa.

Conversation this weekend is likely to be a little strained, but, their friends insist, the Fortes are made of sterner stuff. They will survive this humiliation and start again.

"I think they will learn from this," a former associate of Lord Forte's said. "If anything, Charles Forte's greatest mistake has arguably been not to give a far more senior role to Olga Polizzi. She is far and away the brightest of them. Her tragedy is that she wasn't born a man. Now her tragedy has become theirs."

Ms Polizzi, who is married to the journalist William Shawcross, is a famously successful (and well paid - her salary has been estimated at £2.2m) businesswoman. Being female, she was never considered by her father to be in the running for the top-dog position in the company. Now, however, her energy and her brains may play a pivotal role in the family's next move.

"My bet," a rival hotelier who does not wish to be named said, "is that they'll buy back some of the most luxurious hotels in the world from Granada. They'll take the Hyde Park in London,

the Westbury in New York, the Ritz in Madrid and so on, and the person running the negotiations for them will be Olga."

Meanwhile, the Fortes must face the present as a dynasty, which has temporarily lost its momentum, but not its courage. In the final chapter of his autobiography, Lord Forte isolates one paragraph from the rest of the text. Its philosophy is strangely anxious.

"I can't say I have complete peace of mind, however, and I won't have as long as I continue working. Things are never right in a business, particularly in the hotel and catering trade. You always try to improve everything that is being done and you never quite succeed. I spend my life trying to do this, but success depends on so many people and so many different chains of events. So, every day, you have got some other worry. Furthermore, I have people round me whom I love and I am fond of. They provide worries, when they are not well if they are unhappy," he wrote.

On that prophetic unfinished note, it closes. At 87, Lord Forte must begin again.

Radical revamp of roadside restaurants and hotels planned to maximise profits

Roll call of the winners and losers

Chicken tikka set to spice up Little Chefs

JOHN SHEPHERD

The hotel and leisure industries are rapidly splitting into two. One side is making a steady recovery from the recession, while most of the other is destined to be inscribed on an infamous roll call in memory of those who succumbed to greed and the excesses of the free-spending, care-free 1980s.

Granada is convinced it will feature high up on the winners list. It has argued that it can raise hotel prices and simultaneously extract plenty of cost savings out of Forte through redundancies, and from the benefits of stronger buying power - particularly for food.

The take-over victory comes at a time when analysts are forecasting growth of 2.5 per cent in real disposable income for this year, on top of the 2.25 per cent recorded last year. Most of this increased spending power is probably earmarked for the leisure markets.

Granada is in a good position. It will be able to take advantage of the expected uplift in spending by repositioning many of Forte's hotels in higher market tiers, mainly by beefing up the customer offering. Installing satellite television and telephones in the 127 Travelodge hotels, for instance, will give it leverage to

charge higher prices. The company, however, will not be able to become blasé about its approach to the leisure market which is still nursing many recession-inflicted wounds.

There are many companies that are sitting precariously on the fence of survival and will pounce on any mistake by Granada and pitch for the customers who will shun the so-called added value from being able to watch pay-TV.

Forte was late to rise to the challenge, hanging on to the well trusted business methods in the belief that the recession would be short-lived. It was quite happy to promote the notion that it was the single biggest hotel operator in the United Kingdom, but put into context it was nothing other than a small fish in a small pond. Investors had to foot the bill for the management's mistakes. Dividends were cut a couple of years ago and there was little prospect of any restoration of dividend payments being made until Granada launched its assault, leading Forte to promise the earth in exchange for investor loyalty.

Prospects for the hotel and leisure industries may look considerably brighter than for some time but Granada, despite its victory, is not going to be in a position to dictate the play.

MATHEW HORSMAN

Those who frequent roadside restaurants - and who has not stopped at a Little Chef or a Granada services? - should brace themselves for radical changes in the way their food is prepared, presented and priced.

Having won its bid for Forte, Granada has grandiose plans to introduce new menus, refurbish tired decor and launch fast-food formats at many of the 430 Little Chef and Happy Eater outlets that dot the country.

Tossed on the ash-heap of history will be the quintessential 1960s-style Little Chef restaurant, with staid furnishings, too few waitresses and a long wait for coffee and a bun. The greasy spoon breakfast will still be on offer, of course, but there will be more colour on the plate, a smattering of "ethnic" dishes and conformity.

And it is all likely to cost more, as Granada aims to maximise profits. Forte itself has already begun to toy with making changes before being forced onto the defensive by Granada's £3.8bn takeover challenge. But the plans were too little, too late.

Granada has spent two years analysing the chains, and has identified 300 outlets which it intends to make over. The better-known Little Chef brand will

get a all-day snack and patisserie range and a takeaway counter, while just under 100 sites will be transformed into fast-food outlets such as Burger King or Pizza Hut.

Menus will be rewritten, with more expensive ingredients replaced by cheaper alternatives. Tired items will be dropped in favour of more fashionable selections - such as chicken tikka or spicy chicken wings. Granada expects to spend about £50,000 per outlet to improve interiors, cash register systems and the menus. For the fast-food outlets, the bill for renovations will rise to about £250,000 per site.

It is all worth it, the company says, because it will push profit margins up by 2 per cent across the board.

Additional profits will come from the huge cost savings Granada plans to achieve with the merging of its catering operations with those of Forte. Granada's executives have criticised Forte for allowing local managers too much discretion in buying supplies. It reckons it can reduce the catering bill by as much as 10 per cent.

Welcome to the future of British roadside catering: brand names, quick service and homogenised cuisine. At least you know what you'll get.

Noddy goes to the Trocadero

MARIANNE MACDONALD
Media Correspondent

Once they roamed the countryside drinking ginger beer and solving mysteries. Now the Famous Five have been condemned to London's entertainment palace, the Trocadero - serving out their copyright. Blyton's characters have been sold off in a move not even Timmy the dog's crime-busting skills could have prevented. For £13m Trocadero PLC has

bought the remaining 43 years of copyright to all Blyton's books - more than 600 titles, of which some 8.5 million are sold worldwide every year.

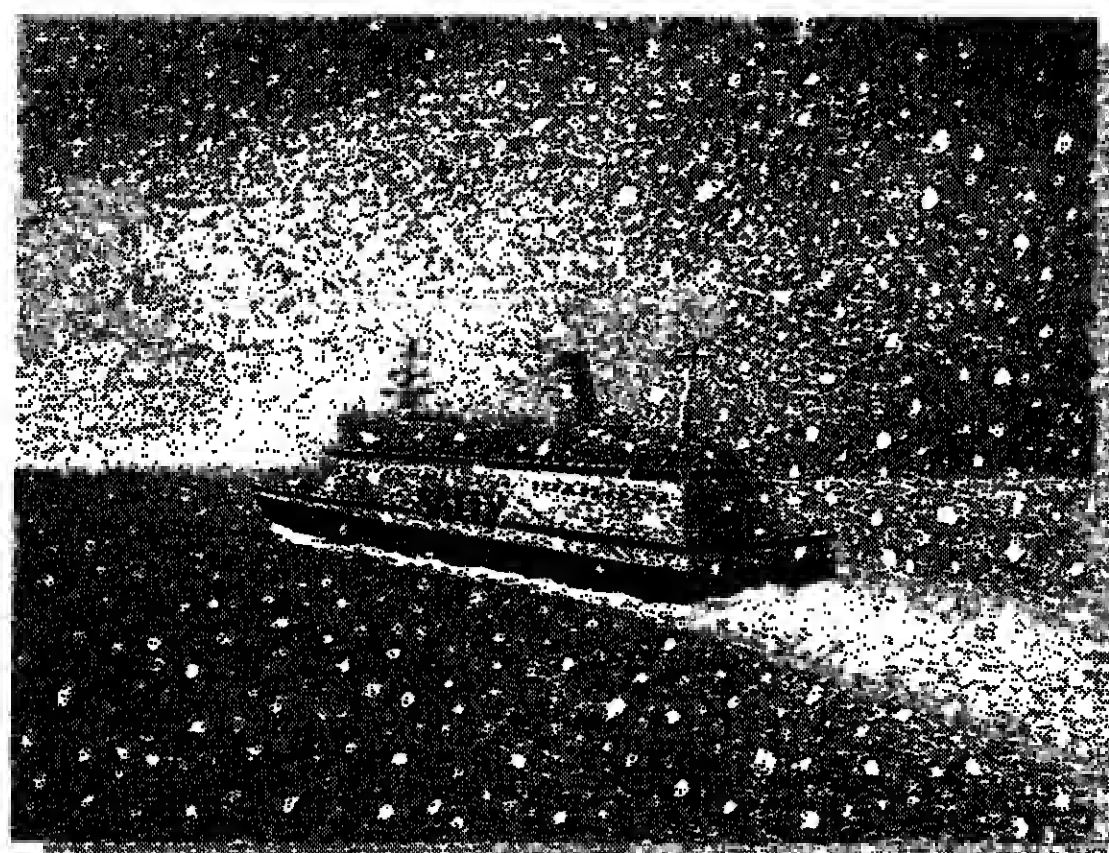
The sale of Darrell Waters, the family company which owned all the rights, was agreed by descendants of the author who died in 1968. Yesterday Blyton's daughter Gillian Baverstock, who has run the business in recent years, admitted she had been unable to afford to keep it. "I did try to raise the

finance to buy the company," she said. "But the money required was so great, and so many people were interested... it was quite impossible."

The Trocadero at Piccadilly Circus, central London, which boasts shops and hi-tech computer games, is undergoing a £45m refurbishment to create what its owners say will be the world's largest indoor urban theme park. Noddy, Big Ears, the Secret Seven and other Blyton favourites will find a new

home inside the park in a £1m "interactive store" selling books, videos, games and tapes. Children will interact with the characters, "meet Noddy, shake hands with Big Ears and buy the merchandise," said Nick Leslau, chief executive of Trocadero.

Mrs Baverstock said that her mother would have been happy to know her work was being taken into the next century. "She was very progressive... way ahead of her time," she said.



The Winter Break

sally '95/96

Winter draws on.

But here's an idea you might warm to. How about taking a short break after Christmas with Sally Ferries across to either France or Belgium at the lowest possible published price?

Or enjoy our excellent ski-package. £135 return crossing for two adults with car, including AA Five Star cover and AA wintersports Personal cover. (Up to 3 children under 14 years travel free.)

0 3 4 5
16 00 00

During the crossing from Ramsgate, there's lots to enjoy from on-board restaurants to duty-free shopping. So, if you'd like to have a better impression of Winter, sail Sally.

Call Sally Ferries now, on 0345 16 00 00 or contact your local travel agent.

SALLY
THE ART OF SMOOTH SAILING

Mother of bride, 13, faces Turkish police



Wedded woes: Sarah Cook yesterday with her husband, who faces rape charges

STEVE BOGGAN and HUGH POPE

The mother of Sarah Cook, the 13-year-old who married a Turkish waiter, could face questioning by prosecutors after Sarah's 18-year-old husband was charged with statutory rape and kidnap.

Officials in the town of Kahramanmaraş, south-east Turkey, told the *Independent* last night that they may charge Jackie Cook, 37, with encouraging Musa Komeagae to commit the offence against her daughter.

The news came as the full consequences of the Cooks' decision to allow Sarah to marry at 13 came home to roost with startling fury. First, Sarah was forced to undergo a "virginity test" at a Turkish hospital while the media waited for the results, then Musa was arrested and charged with statutory rape, kidnap and "running away with a girl under 15". He could face up to five years in prison.

Then, while Mrs Cook and her husband Adrian, 42, of Braintree, Essex, were summoned to a meeting with the area's child protection unit — and while Sarah was telling journalists she planned to have a baby by the time she was 14 — Turkish prosecutors turned the spotlight on Mrs Cook.

One prosecutor, who refused to be identified, said: "We are considering pressing charges against the mother, because her encouragement is a criminal offence."

Referring to a religious ceremony in which the couple took part two weeks ago, the



Parental problem: Jackie and Adrian Cook after seeing social workers yesterday

prosecutor continued: "Sarah and Musa are not properly married, neither in Turkish law, nor by Islamic law. They have not had a proper Imam Nikah wedding [religious ceremony]. There was no Imam who performed it. We have arrested the boy. He will stay here until the trial starts, possibly tomorrow."

He said Musa, who was picked up by police early yesterday, faced charges of "breaking the girl's virginity", running away with a girl under 15 years of age and kidnap.

"It doesn't matter whether she agreed to the relationship or not: this is statutory rape in Turkey as in England," he said.

"The boy may be released when the case starts in the serious crimes court, especially if the two have a proper Imam Nikah wedding and the families show their agreement."

There was no response from the Cooks last night. They have been paid more than £20,000 by the *Sun* for their story and have been insisting through its pages that they have done the right thing by their daughter.

The *Daily Mirror* reported yesterday that Mr Cook had approached it and claimed he had been offered £20,000 for the story. He is reported to have said: "If you can top that, you can have it."

Meanwhile, Sarah was quoted in the *Sun* as saying of her marriage: "We were both virgins when we had sex for the first time. Now we can't keep our hands off each other and sleep together all the time. Sometimes at night, when we have to share a room with Musa's brother and sister, we wait until they are fast asleep before jumping all over each other."

Sarah, a pupil at Tabor High School, Braintree, met Musa while on holiday in Alanya when she was only 12. Two weeks ago, the Cooks flew to Turkey and gave their blessing to the "marriage".

Last night, with Musa being

held in prison, Sarah was clearly unhappy. She is living in a basement flat with Musa's family in a run-down part of town. She is said to be receiving no education and is expected to do chores from 8am until 5pm.

Trudie Pak, the British vice consul in Ankara, spoke to Sarah twice yesterday and said she was "fine" but had been upset after speaking to her mother on the telephone.

"Sarah was medically examined at a local hospital to establish that sexual intercourse had taken place, otherwise no offence would have taken place," she said.

Last night Mr and Mrs Cook were reported to be en route to see Sarah in Turkey.

Couples have to be 18 before they can marry in Turkey. With parental consent, the age limit can be dropped to 17 for boys and 15 for girls. With parental consent and a special dispensation from a judge, girls can be married at 14, but there is no provision for a marriage at 13.

Yesterday, before Musa was arrested, the Turkish national channel ATV showed pictures of the couple posing for the media. Sarah said defiantly: "We are very happy and I love him very much."

Afterwards, she was taken to hospital for her virginity test, the results of which were read out to journalists while Sarah sat with her head bowed.

Describing the incident to Turks nationwide, ATV's anchorman, Ali Kirca, said: "Sarah was submitted to a test that has caused so much anguish and so many suicides among young girls."

Lottery turns us into gamblers and savers

CLARE GARNER

Britain has become a nation of cautious consumers who save rather than spend — except when it comes to the National Lottery, according to a study by the market analysts, Mintel.

The amount spent on gambling increased by 41 per cent between 1994 and 1995, making gambling the biggest short-term rise in household spending — largely due to the lottery.

The British Lifestyles survey published yesterday revealed that 91 per cent of the adult population now gamble and Britain's gambling losses stand at £5.3bn in 1995 compared with £3.7bn in 1994. Only 18 per cent of adults interviewed about the lottery agreed that "the odds against winning are too remote to make it worthwhile", while 37 per cent felt "it added excitement to Saturday nights".

"This reflects a need for increased excitement and the hope of winning a fortune as a

release from current financial constraints and hardship imposed by a low inflation economy and worry about job losses," said Emma Besbrode, project manager for the survey.

The recession continues to undermine long-term consumer confidence and since 1994 consumers are doing without many non-essential items such as holidays, DIY, and furniture.

Saving has become a top priority. As a proportion of dis-

Growth in spending

	1994-95
Gambling (losses)	+41.8%
Music and inst/ms	+19.8%
Bicycles, boats and aircraft	+16.7%
Educational fees	+12.5%
Sickness and accident insurance	+11.4%
Domestic and garden help	+10.5%
House purchase and alterations	+10.3%

Source: Mintel

posable income, savings have increased to 13.5 per cent in 1995 from a low of 9.4 per cent in 1988, and the young in particular are anxious to secure a "safety net" for the future.

Consumers are spending an increased share of their total expenditure between 1985 and 1995 on insurance and pensions, housing, and medical and education fees.

Research into diet and eating habits shows that more than half of all adults (56 per cent) on most occasions eat their meals at the table, compared with 38 per cent who usually eat in front of the television. Comparison with 1994 data suggests a shift towards more formal eating habits.

Publicity given to computers, multimedia, and the Internet has done nothing to change the number of "technocrats" — those interested in technology. However, it has boosted the ranks of "technophobes" — those turned off by technology.



Habitat Sale ends this weekend

All stores will open this Sunday — for your nearest please telephone 0645 334433

you need an ambulance quickly >

you call the emergency services : 999

you need a mortgage quote quickly >

call Nationwide Direct >

0800 30 20 10

> We will give you an instant quote > and normally a mortgage decision within the hour

> Call now and quote ref. PN70, between 8am and 8pm weekdays, 9am and 5pm weekends.

Nationwide

YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT.

Mortgages subject to status and security. Available to those aged 18 or over only. Written quotations available on request from Nationwide Building Society, FREEPOST, Kingsbridge Point, Princess Street, Swindon SN1 1ND. Nationwide is a member of the Building Societies Ombudsman Scheme and subscribes to the Code of Banking Practice. Nationwide Building Society, Nationwide Life Limited and Nationwide Unit Trust Managers Limited represent only the Nationwide Mortgage Group, which is regulated by the Personal Investment Authority for life assurance, pensions, and unit trust products. Nationwide Unit Trust Managers Limited is also regulated by IMRO. Please note for various legal, regulatory and customer service requirements your call will be recorded.

3.6m drivers are targets of 'road rage'

CHRISTIAN WOLMAR
Transport Correspondent

Road rage has reached epidemic proportions with almost half of all drivers experiencing some form of attack or abuse over the past year, according to a new report.

The survey of 1,000 drivers estimates that last year there were more than 3.6 million confrontations prompted by road rage. Half of these involved people being forced to give way or to leave the road, and more seriously, there were 800,000 instances where people were physically threatened, half a million where they had their cars deliberately driven into, a quarter of a million where they were attacked by other drivers.

It started with death of a Cadillac driver

LOUISE JURY

Road rage, like a myriad other modern syndromes, was first identified in the United States 12 years ago.

When a pick-up truck driver shot dead the driver of a Cadillac car who cut him up on the main 405 freeway in Los Angeles the *Los Angeles Times* coined the phrase to explain the extraordinary act of violence.

After a spate of similar attacks in Miami, the term gained widespread usage. And, according to Edmund King of the British Royal Automobile Club, "like the best Miami voices, it got imported into Britain some years later".

Originally, it was used to describe ordinary people who were transformed behind the wheel into violent and abusive tyrants. Examples poured forth. A 78-year-old driver died when he was punched by a driver half his age during a dispute at traffic lights in Wakefield, West Yorkshire. A 51-year-old man

was killed when he was run over by a truck after a four-mile running battle.

Mr King said: "Then it became trendy to describe anything on the roads as road rage so it lost its meaning. To be honest, there is a serious problem, but because this has been used as a catch-all phrase we have found it hard to persuade the police and the Department of Transport to take it seriously."

Rebecca Rees, of the Automobile Association, said that there was nothing to suggest that road rage was distinct from any other form of anger, but for many people driving had simply become the most frustrating activity that they regularly engaged in.

However, she pointed out that it may not be a new phenomenon. Lord Byron wrote to Thomas Moore in 1817 describing a "row on the road ... with a fellow in a carriage, who was impudent to my horse. I gave him a swinging box on the ear ..."

born met with obfuscation and buckpassing.

He said: "In repeated meetings with the Department of Transport and the Home Office, the RAC presented practical measures to address the problem. But the DoT passed the matter to the Home Office who in turn passed it to the police who still deny the existence of road rage as a problem."

The RAC recently brought a successful private prosecution against a motorist who had attacked a patrol officer. The officer was towing a car belonging to a woman with a baby to a garage when a driver in a car sped past the van, stopped, and attacked the patrolman, pushing him to the ground. The police had refused to take up the matter.

Road rage is just part of a wider phenomenon highlighted in the report which boils down to the fact that drivers do not seem to like other motorists much. The report found that one of people's main dislikes about owning cars was the behaviour of other drivers. Drivers also disliked the cost, traffic congestion and air pollution.

Yet, when it comes to their own behaviour, drivers consider themselves mostly as little angels. The survey found that a third said they never speed. Moreover, most seemed to have an altruistic bent with 43 per cent seeking improvements in public transport, 37 per cent wanting more park-and-ride schemes and 18 per cent even wanting better cycle facilities. Only 3 per cent, however, wanted motorway tolls to be introduced.

Drivers are even on the side of the protesters against road projects, with 59 per cent agreeing with campaigns against roads being built through the countryside. Only 26 per cent agreed with the protesters' methods, however. Even more, 82 per cent of those polled, supported protests against traffic congestion and pollution in cities.

□ *Lex report on Motoring: Lex Services, 17 Connaught Place, London SW2 2EL; £295.*



Lagerfeld back to elegant basics

TASMIN BLANCHARD
Paris

Karl Lagerfeld presented a Chanel collection of the most refined and exquisite tailoring yesterday. One that left no doubt that the designer and long established Chanel atelier has the key to the highest craftsmanship and, what's more, perfect taste.

The designer returned to the soul of Coco Chanel by staging his show in the intimate surroundings of a suite of rooms at the Hotel Ritz.

Classic tweed was constructed into body-hugging jackets in pink, lilac, citrus green and black, punctuated by gilt and pearl costume belts and worn over elegant floor length black skirts, split high up the leg.

Hats were stamped with Lagerfeld's indelible imprint - all elegance and panache. For customers who might need liposuction before their arms would fit the skinny sleeves, there were softly cut,

peplum jackets with just a breeze of a bias cut ruffle at the neck and a pair of jewelled brooch buttons as fasteners.

The collection made it perfectly clear why women who can afford it will want to be fitted for a jacket that will hold them in shape without a corset.

Lagerfeld eschewed any of the vulgarity that some past Chanel collections have traded on by being unusually dignified and elegant. The signature Chanel jacket was hand-crafted from thousands of mother of

pearl sequins and edged in jet - luxurious and restrained at the same time. For evening, there were black tulle 1940s Hollywood pin-up dresses or a gold jewelled sheath fishtail dress. A midnight blue gown glittered with diamante stars.

The show opened and closed with British aristocratic model Stella Tennant, the new face of Chanel. Previous contracts have been held by French pop starlet Vanessa Paradis, Claudia Schiffer, Ines De La Fressange, and Carol Bouquet.

Prisons to face cutbacks in staff

HEATHER MILLS
Home Affairs Correspondent

The Prison Service is so desperate for ways to meet its £200m budget cuts, it is proposing cutting fuel bills in prison kitchens, timing meetings to take advantage of cheap fares, offering prizes for the best cost-cutting ideas from staff, and issuing regular "efficiency newsletters".

Prison reform groups suggest the "penny-pinching" schemes show the difficulties the service faces in trying to implement huge cuts at the same time as handling record numbers of inmates - expected to top 54,000 by April this year.

Details are outlined in confidential guidance to prison governors, seen by the *Independent*. The documents clearly show that the money which would be saved by plans to axe nearly 2,800 prison jobs - revealed last week - will fall far short of the spending targets demanded by the Treasury.

The guidance, from Richard Tilt, acting director general at the Prison Service, warns governors they will have to make "difficult and painful decisions". It suggests making greater use of untrained, part-time and contract staff - and is likely to meet with fierce opposition from the Prison Officers Association.

It also proposes contracting out prison health care, and suggests further cuts in education and activities for prisoners - a move which both staff and reform groups believe could lead to unrest as inmates are confined in their cells for longer periods. However, the guidance warns that essential health care requirements must be met, and says: "Our first priority must be to maintain control in an increasingly difficult environment. It may well be right, therefore, to maintain activities ... to keep prisoners occupied."

A Prison Service spokesman said that the documents contained suggestions only and were not binding. But Harry Fletcher, of penal reform group Prisons are not for Profit, said: "The Prison Service is clearly in an impossible position ... the cuts must be reconsidered without delay."

Drug offers hope to obsessives

ELIZABETH NASH
Madrid

Sufferers from obsessive illnesses such as binge eating, sexual compulsions, kleptomania, shopping mania, and the so-called "disease of imagined ugliness" may be helped by a medicine long available in

Britain that is often prescribed for depression.

The drug fluvoxamine, sold in Britain as Faverin, regulates one of the brain's chemical messengers, serotonin, which is used in eating, sleeping and sex, and is thought to control states of consciousness and mood. Depression is linked to a deficiency of serotonin, and research suggests it may be linked to obsessive disorders.

These disorders, which also include pathological gambling and intermittent explosive behaviour, may produce an initial high followed by strong feelings of guilt and shame. This means they are often hidden and go undiagnosed, American scientists said yesterday.

Dr Eric Hollander, professor of psychiatry at New York's Mount Sinai School of Medicine, told a symposium in Madrid that many of these behavioural disorders had biological origins and that fluvoxamine often helped where psychotherapy had failed.

"Obsessive-compulsive disorders are extremely common, some affecting up to 10 per cent of the population, and it is a great relief for patients to know

that they are not alone, and they are not going crazy. Now help is available for the first time."

He added that in pilot trials, compulsive shoppers, pathological gamblers and kleptomaniacs had responded well to fluvoxamine treatment.

Katharine Phillips, a specialist in Body Dysmorphic Disorder, the disease of imagined ugliness, said "It is easy to trivialise these disorders, but they are very serious. BDD can torment sufferers, take over their lives and lead them to suicide. It doesn't go away by just telling people they look fine."

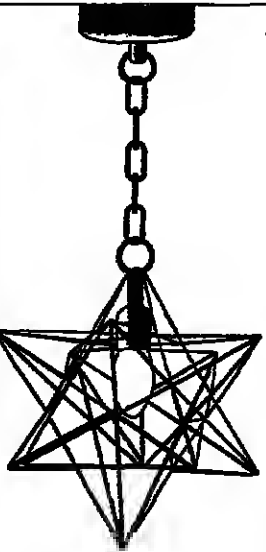
Sufferers would spend up to eight hours a day checking and rechecking their perceived defects in front of a mirror. But in a trial, Dr Phillips found 70 per cent of her patients felt better or much better after taking fluvoxamine for four months.

PRODUCT RECALL

IMPORTANT SAFETY NOTICE

Bhs "Star Lantern" Ceiling Light

If you have purchased a "Star Lantern" ceiling light fitting from Bhs, please read the following notice.



Item number 9525 (small) and item number 9526 (large)

Bhs has identified a potential electrical safety problem with some of this product and would ask all customers, who have purchased these ceiling light fittings, to telephone Bhs on Freephone 0800 181107 or to contact their local Bhs store. As a precautionary measure, these ceiling light fittings should not be switched on or used.

The diagram shows the style of the 2 sizes of light fitting involved - item number 9525 (small), price £90 and item number 9526 (large), price £100. These were sold in Bhs stores from June 1995. The light fittings have a brass frame with clear glass panels and are of a distinctive "star" shape. They are suspended from the ceiling on a linked brass chain.

As customer safety is an overriding priority for Bhs, we are recalling this lighting product. It does not apply to or affect any other Bhs lighting product. Bhs would like to apologise for the inconvenience that this may cause our customers.

Bhs

Bhs plc, Marylebone House, 129-137 Marylebone Road, London NW1 5QD

Only Cellphones Direct can offer a range of bargains like this.



NOKIA MODEL 909.
◆ 40 name/number memory ◆ 60 mins talk-time ◆ 10 hrs standby-time ◆ Complete with slim battery and fast charger ◆ Lightweight 193g

FREE CONNECTION TO VODAFONE LOWCALL WITH NO TARIFF INCREASES GUARANTEED FOR LIFE

Monthly Rental: £15 (£12.77 + VAT)
Peak Rate Calls: 50p per min (42.5p + VAT)
Off Peak Calls: 20p per min (17p + VAT)
LowCall peak times are 8.00-19.00 Mon to Fri. Mandatory standard charges will be charged at £1.77 inc VAT per month. Low rental (included monthly) and service charges will be debited to your nominated credit/debit or Debit Card. Calls charged in 30 second units after the first minute.

When it comes to the best mobile phone deals, nobody beats Cellphones Direct. Just take a look at these January special offers, for example. We've slashed the price on the feature-packed Nokia 232. We have an exclusive package deal on the top-selling Sony CM-R111K, Britain's smallest phone. Or you can be among the first to buy the exciting new, lightweight Nokia 909.

Whichever phone you choose you get free connection to Vodafone LowCall Tariff.

Simply phone us with your credit card details to receive your phone within 4 working days.

PRICE £19.99
AFTER £10 CASHBACK
£9.99 INC. VAT

SONY

MODEL CM-R111K.
◆ 9 speed dial memories ◆ 60 minutes talk-time ◆ 14 hrs standby-time ◆ Featherweight only 185g (6 1/2 oz) ◆ Complete with charger and standard battery

PLUS
SONY REMOTE COMMANDER
SONY EARPHONE MICROPHONE
SONY LONG AERIAL
TOGETHER WORTH £139.99



NOKIA MODEL 232.
◆ 98 name/number memory ◆ 70 mins talk-time ◆ 16 hrs standby-time ◆ Complete with battery and fast travel charger ◆ Lightweight 210g

GUARANTEED PEACE OF MIND
Your phone is covered by our 14 days no quibble money back promise.

The first soap set in a TV station.

CANARY WHARF

Every day 5pm & 9pm • Weekend omnibus

Look on the bright side.
24HR CABLE

CALL NOW FOR FREE DELIVERY IN 4 WORKING DAYS

FREEPHONE 0500 000 888
CREDIT CARD ORDERING HOTLINE WEEKDAYS 9AM TO 9PM WEEKENDS 9AM TO 5PM

PLEASE HAVE YOUR CREDIT CARD AND THIS ADVERTISEMENT READY WHEN YOU CALL AND CREDIT CARD CLOSURE WE ARE UNABLE TO ACCEPT OTHER CLOSURE OFFER SUBJECT TO STATUS AND A STANDARD AIRTIME CONTRACT FOR EACH PHONE WITH CELLPHONES DIRECT LTD. SEE LEADER FOR FULL DETAILS AND CONDITIONS OF THIS OFFER ARE AVAILABLE ON REQUEST. FULL WRITTEN DETAILS AND TERMS AND CONDITIONS OF THIS OFFER ARE AVAILABLE ON REQUEST. © 1995 CELLPHONES DIRECT LTD.

news

Seven sue council in child abuse test

Seven men and women who say they suffered at the hands of child abuser Frank Beck yesterday began a claim for compensation in a test case.

More than 30 others will await the outcome of the hearing at the High Court in Nottingham before deciding whether to take similar action.

The seven claim Leicester-shire county council, which employed Beck during his 13-year reign of abuse at three children's homes, was negligent in failing to provide a duty of care. The authority is contesting the case.

Beck was sentenced to five life terms for sexually abusing more than 100 children. Dozens of witnesses spoke of his cruelty during an 11-week trial at Leicester Crown Court in 1991.

His offences included rape and buggery. He died, aged 52, from a heart attack at Whitmoor prison, Cambridgeshire, in June 1994.

Between 1973 and 1986, Beck abused those in his care

at three children's homes in Leicestershire. Only a chance remark by a mother accused of ill-treating her son sparked an investigation in 1989, three years after Beck had quit as head of the three homes.

Richard Maxwell QC, representing the alleged victims, told the court yesterday the council had originally accepted the findings of an independent inquiry, the Kirkwood report, which criticised the authority. But he said the council was now "ducking and weaving".

Mr Maxwell said that in 1992 the council accepted the seven were "all victims of either physical abuse or psychological trauma or sexual abuse".

He went on: "There was a time when the defendant accepted without equivocation there was no doubt there were very serious management failings in the period 1973-1986."

There was a time when the defendant accepted the Kirkwood report spelt out how these man-

agement failings contributed to the evidence that culminated in the conviction of Beck.

One finding of the report was that the authority generally assumed children should not be believed. Mr Maxwell said: "We say that it was because of that assumption the defendant never investigated properly what the children were saying."

The report, written by Andrew Kirkwood QC, and published in February 1993, further showed poor monitoring of child care standards. Files on children who had died or left the homes were destroyed after two years to save space.

He said the council denied it had any duty of care to protect the children.

Beck, formerly of Leicester, always protested his innocence. At his trial, Mr Justice Jowitt told him: "You are a man whose character combines considerable talents and very great evil."

The present case is likely to last up to three months.



Look back: Artist Terry Duffy finishes the restoration of a mural at the Jacaranda club in Liverpool painted by original Beatle Stuart Sutcliffe with a little help from John Lennon in 1960. The band played their first gig at the venue, which reopens this Friday. Photograph: Craig Easton

Chinook's final message puzzle

A mystery final message to air traffic controllers from the RAF Chinook helicopter which crashed into the Mull of Kintyre was yesterday played to a hushed audience.

It lasted only one or two seconds - and was indecipherable to non-expert listeners. It is now known to be an unidentified member of the Chinook crew saying: "Scottish military. Good afternoon. This is Foxrot Four Juliet Four Zero."

As the brief message played to a silent courtroom, relatives of the dead listened intently.

The inquiry at Paisley, Strathclyde, has been told that the message was sent to the Prestwick air traffic control centre at 5.55pm and 14 seconds on 2 June, 1994 - but was not responded to.

This was less than five minutes before the Chinook crashed with the loss of 29 lives, including Ulster's top police and military intelligence experts. The message was spotted when tape recordings were studied after the crash.

Wing Commander Donald Devine, in charge of the military side of the joint civil and military air traffic control operation at Prestwick, told the inquiry he had no explanation why the

message went unheard by the three military staff who were monitoring radio traffic.

A technical investigation had revealed no reason why the message should not have reached their headsets. He said an investigation had shown all three had their headsets on, and there was silence each side of the message - indicating there had been no conflicting messages which would have prevented them hearing it.

The wing commander said he had only been able to decipher the message on the tape after listening to it several times. It would have come to Prestwick from the two radio receivers about 70 nautical miles from the crash scene - on the Isle of Tiree and in the Scottish borders.

All three staff said they had not heard it - and the reason remained a mystery. There could have been some distraction from civilian air traffic controllers but staff had no recollection of this.

The wing commander agreed with John Mitchell QC, for the Crown, that the call remained a mystery. "Nothing on the equipment explains it," asked Mr Mitchell. "No," said the wing commander.

The hearing continues.

DAILY POEM

To the Barbarian:

By Else Lasker-Schüler

Night when I lie
on your face,

on the steppe of your body,
plant cedars & almonds,

tireless right thru
your chest

I burrow, seek pharaoh's
gold pleasures.

your lips grown so heavy
my wonders won't ransom them,

oh take your snow skies away,
free my soul,

your diamond dreams
cut thru my veins,

I am Joseph, I wear
a sweet belt

it girdles my many coloured
skin,

fearful roar of my shells
brings you joy

but your heart will admit
no new seas,

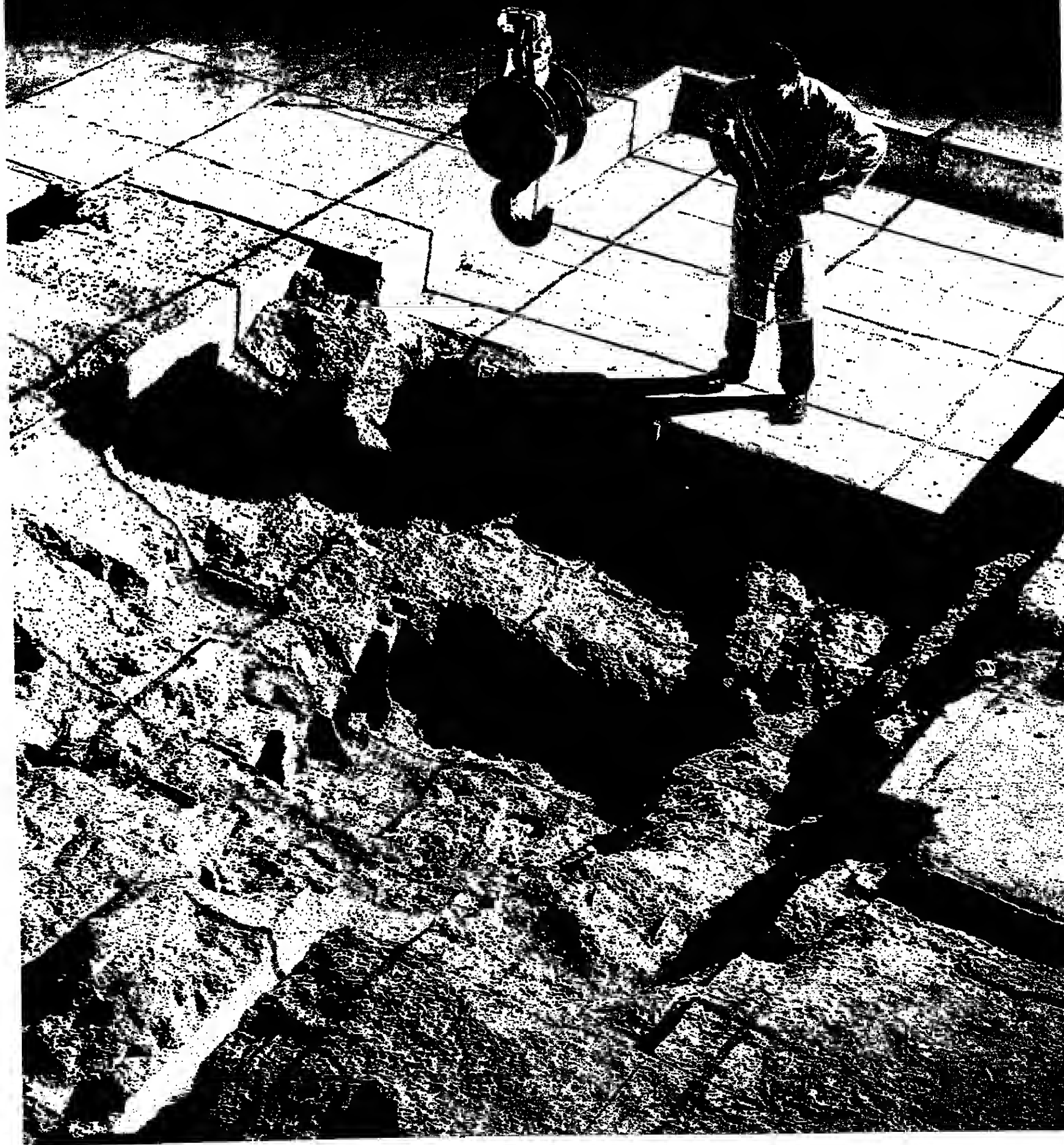
oh you
you!

Anthologies which truly enlighten and shift perspectives are notoriously difficult to produce. The first of two volumes of *Poems for the Millennium* published by the University Press of California at Berkeley, remarkably, has succeeded. By offering "galleries" of poetry which coincide with the main artistic movements: Futurism, Expressionism, Dada, Surrealism, Objectivism and Negritude, poetry is separated from its usual bed-fellow literature and joined to the main artistic movements of the century. Else Lasker-Schüler (1869-1945), one of the early great bohemian figures around Berlin, was an Expressionist "oriental in imagination, Jewish in theme, but German in language" whose poem is translated here by Jerome Rothenberg and Pierre Joris.

WORLD COVER

ANNUAL TRAVEL INSURANCE
CALL US ON 0800 365 121

ONE OF BRITAIN'S NUCLEAR REACTORS HAS JUST VANISHED.



It used to stand here and now it's gone. For thirty years, the Universities of Manchester and Liverpool's research reactor stood on this spot. But not anymore.

The mind boggles. Who could walk off with 500 tonnes of nuclear reactor?

Who would have such technology, and know-how? There's only one possible answer. Yes, it was us.

The 'hot' reactor core was cooled and we took it apart. The radioactive fuel elements

were packed in 20 tonne steel flasks and sent to be reprocessed.

From the core to the outer shielding, the reactor was taken to bits and components disposed of safely in the appropriate waste storage facilities.

Even the building has been dismantled and the two acre site will soon be available for commercial or industrial development.

BNFL is currently involved in many decommissioning projects around the world,

involving reactors, fuel production plants, reprocessing plants, storage ponds and silos, and the recovery of radioactive materials for safe storage.

These facilities - very different from one another - all need to be decommissioned safely, just as the Universities' Reactor has been. Decommissioning this reactor was something some people might think couldn't be done. The people who did it are BNFL.

To find out more about what we do and

how we do it, please come and see us at the Sellafield Visitors Centre in Cumbria.

Or if you would like to receive further information, please write to Corporate Communications, BNFL, Risley Warrington, Cheshire WA3 6AS.



Where science never sleeps

Clarke pledges growth for year after year

DONALD MACINTYRE
Political Editor

Kenneth Clarke, the Chancellor, yesterday brushed aside doubts over his forecast of 3 per cent growth this year and pledged a rise in living standards "year after year after year".

Standing by his budget prediction, the Chancellor gave his bullish outline of rapidly improving economic prospects

on the eve of a political Cabinet meeting partly intended to translate economic success into a vote winner.

Mr Clarke told the British American Chamber of Commerce: "I believe that the pundits who are being more pessimistic will be proved wrong." The Commons Treasury Select Committee and the Organisation of Economic Co-operation and Development

are among outside bodies which have questioned Mr Clarke's forecast.

The Chancellor said that he expected investment to pick up - thanks to the fall in inflation and steadily improving company balance sheets - and added that conditions for firms "have rarely been better".

And he told his business audience that he expected a significant increase in consumer

spending, fuelled by tax cuts, pay increases, payments from building society takeovers, maturing Tessa's (tax-exempt savings), a strengthening housing market and rebates to customers from the sell-off of the National Grid.

Mr Clarke said: "The conditions for firms to invest have rarely been better. Inflation is low, providing the stability businesses need when making long-term decisions. Company

balance sheets are in very good shape, with profits rising by around 6 per cent over the past year. And thanks to inflationary pressures staying low, I was able to reduce interest rates again last week."

He added: "Although it played an important role in the early stages of this recovery, consumer spending has not been the main source of growth over the past two years."

"This is rare for the British economy. It gives rise to all the chatter about the so-called feel-good factor. Increased consumer spending should be the main source of growth in the economy as a whole this year."

Mr Clarke added that he was not interested in "delivering a one-year wonder" and set himself three tasks to ensure that stronger growth lasted for the long-term benefit of UK

Ltd. The Chancellor said that he intended to "do everything that I can to entrench the low inflation culture in our society".

This meant setting interest rates to achieve his inflation target of below 2.5 per cent; but he also urged companies to keep firm control over pay. And it also meant controlling public spending and pushing ahead with improving the working of the economy by, for ex-

ample, privatising Railtrack and Nuclear Electric.

Today's Cabinet meeting, without Whitehall officials present, will focus on the fightback against Labour. It will also concentrate on the need to disseminate what ministers believe is good news about the economy to ensure that the electorate's economic optimism is matched by an improvement in the Tories' share of the vote.

Shadowy figure faces arms scandal inquiry

CHRIS BLACKHURST
Westminster Correspondent

It was a terrible place to break down, on a bleak road in Argyll. As the two men struggled to repair their van, a car pulled up. Instead of offering to help the driver get out, drew a pistol, shouted, "I'm a soldier you know" and unloaded two shots over their heads.

In the circumstances, the comment of one of the men - "it was not the kind of thing that happens in the countryside in the middle of the night" - was priceless.

Today, the brandisher of the pistol appears before MPs. For Stephan Adolphus Kock it will be a rare public appearance. For the Trade and Industry Select Committee it will be a chance to examine one of the most shadowy figures to have risen from the worlds of intelligence and international arms.

Mr Kock was fined £650 for the incident in Argyll in 1990. His lawyer explained his client had spent his career in the defence industry and had developed an acute concern for his personal safety.

At the time, along with MP Jonathan Aitken, he was a director of BMARC, the defence supplier accused of sending arms to Iran in defiance of a government embargo. Today, MPs will quiz Mr Kock over his knowledge of the Iran order.

MPs to question maverick figure with contacts in world of espionage

He will almost certainly leap to Mr Aitken's defence and say directors knew nothing of the true destination of naval guns. Drawing on a background in business and high finance - he was a consultant to the Midland bank as well as a director of BMARC and its Astra parent - Mr Kock, who is a big, bluff character, will impress MPs.

There are, though, questions the committee would do well to ponder. Secretive about his life, Mr Kock is thought to have been born in 1927 in Czechoslovakia. At some stage he em-



Stephan Kock: Linked to SAS, MI6 and Pergau Dam

igrated to Rhodesia and served in the country's air force.

Subsequently he took British citizenship and worked for the British government. A brochure issued by the Midland boasted "he carried out specialised duties for the British government in various parts of the world", including serving with the SAS.

An Astra newsletter said "he carried out special assignments for the Foreign Office", presumably a reference to MI6. A measure of Mr Kock's secretive role can be gleaned from two of the biggest scandals of recent times. He has admitted to having been involved in the Pergau dam project in Malaysia. BMARC minutes reveal he had inside knowledge of the Malaysian defence package which formed the quid pro quo for British aid for Pergau.

When Astra bought the Belgian firm, PRB, in 1989, it discovered the company was making propellant for the Iraqi supergun. Mr Kock contacted the security services. He later told a Department of Trade and Industry inquiry that he had summoned the deputy head of MI5 to Astra's headquarters.

MPs may want to reflect on this, and his undoubted clout with the intelligence services, if he claims he thought Singapore's small armed forces really required 140 naval guns, and he did not bother to find out where they were actually going.



Role change: John Humphrys, the BBC presenter and newsreader, arriving at the Commons last night where he found himself on the receiving end of a grilling by a committee of Tory backbench MPs. Photograph: Edward Sykes

Lib Dems aim to oust Tories from TV slot

PATRICIA WYNN DAVIES
Political Correspondent

A battle is on to dislodge the Tories from a prime broadcasting slot for the 2 May council elections in favour of the Liberal Democrats who are second to Labour in local government. Under current arrangements

the Conservatives and Labour annually alternate the final and penultimate political broadcasts, which would give John Major the Tuesday 30 April slot on BBC1, BBC2 and ITV.

But the Liberal Democrats are lobbying the BBC and the Independent Television Commission to drop the convention

now that the Tories are trailing third in terms of council seats and council controlled.

Such a switch would be a severe humiliation to the Tories who face the potential loss of 700 more seats on top of the heavy losses inflicted last year. But a Liberal Democrat spokesman said: "We are second to Labour

in numbers of councillors and we control four times as many councils as the Conservatives."

The party will meanwhile launch a direct appeal to disillusioned "One Nation" Tories with a party political broadcast tonight urging that the defection of Emma Nicholson has shown them a non-socialist alternative.

Tories cut key clause in asylum Bill

JOHN RENTOUL
Political Correspondent

The Government backed down yesterday over a key clause of its Asylum Bill, designed to make it harder for bogus refugees to enter Britain.

Labour claimed that Mohamed al-Masari, the Saudi dissident deported to the Caribbean island of Dominica, would probably have been sent back to Saudi Arabia if the clause of the proposed legislation had been in force at the time of his arrival.

Under the clause which the Government dropped yesterday, Dr Masari would have been sent back to Yemen, from where he arrived in Britain, and would have had to appeal against the refusal of asylum from there.

But the British adjudicator in Dr Masari's case ruled that his removal to Yemen would be "unsafe", according to Doug Henderson, Labour's home affairs spokesman. The adjudicator accepted that the Yemeni authorities could have removed him to Saudi Arabia, where he feared persecution.

Earlier this month the Government said it would send Dr Masari to the Caribbean in order to maintain good relations with Saudi Arabia, an important arms export market.

Euro may be Frankenstein monster, warns Tebbit

Lord Tebbit yesterday dubbed the embryonic European currency, the Euro, a "Frankenstein" and held out the collapse of Dutch aircraft makers Fokker as a vision of the industrial future under a single currency.

Though the former Tory party chairman was relaxed about the idea of a core of European Union members going ahead with the Euro, he told a Lords committee it was "extremely important" that Britain remain outside.

The disintegration of Fokker, with the expected loss of 8,000 jobs in the Netherlands, was a "classic example" of the perils of a single currency. The international civil aircraft market was tied to the US dollar but the Dutch guilder was kept high because it was tied to the German mark, Lord Tebbit said.

Peers on the European Communities Committee are conducting an inquiry into the consequences of a minority of EU countries going it alone on monetary union - shadowing the ministerial study claimed by John Major as his success at December's Madrid summit.

Collapse of Dutch aircraft firm used to show 'peril' of single currency as Lords debate staying out of monetary union

Inside Parliament
Stephen Goodwin

Lord Tebbit's thesis was echoed - or informed - by Professor Patrick Minford, the right-wing economist, who had no qualms about Britain being "part of the awkward squad" over monetary union.

Both were dismissive of suggestions that, as Lord Tebbit put it, "the caddish British, irresponsible Italians or the devious Greeks" would devalue their currencies to gain an edge over a single currency group committed to the German path of reticence.

They also emphasised that any discrimination by the "ins" to counter the competitive ad-

vantage of the "outs" would be in breach of the Treaty of Rome.

Prof Minford acknowledged the fear of industrialists, relayed by Lord Haslam, chairman of Bechtel and former head of British Steel, that the "ins" would retaliate if their businesses were suffering.

The "resentment factor" was a very valid concern, Prof Minford said, pointing out that inward investment was based on the fact that Britain was already 40 per cent cheaper than Germany in labour costs.

If access to the single market continued unchecked and Britain stayed outside the social chapter, then the country would remain the place for the Japanese to invest. "Europe will have to change," Prof Minford said. It could not continue in a "cul-de-sac" of social protection that enabled Britain to capture such a huge percentage of investment.

Lord Tebbit disagreed with

Baroness O'Cathain, a Conservative, that the "ins" would have more power and influence over EU economic policy.

"Not necessarily," he replied. "Before long they would face the reality that you can't have two finance ministers for one currency and they would move inexorably to political union. Whether that would be a 'love-it-or-a-political-disaster-we-may-all-have-to-guess'."

Later, Baroness Chalker, Minister of State at the Foreign Office, told peers the Government had "ruled nothing in and nothing out" over joining a single currency by the optimistic date of 1 January 1999.

Her words will not be music to the ears of Tory Euro-sceptics who yesterday again called on the Prime Minister to declare his opposition to the Euro.

As the group launched a document warning of an avalanche of directives from Brussels, Teresa Gorman, MP for Billerica, said John Major had "a golden opportunity to take another initiative in order to distinguish us from Labour who are going to cave in to Europe hook, line and sinker".

Former 'wet' attacks right-wing lurch

COLIN BROWN
Chief Political Correspondent

In an astonishing attack on John Major's leadership, a former Cabinet minister has accused the Tories of hunching towards right-wing nationalist extremism. Lord Gilmour, a Tory peer, and one of the leading "wets" in the Thatcher Cab-

inet, accuses the Tories of being more right-wing under Mr Major than under Baroness Thatcher, reopening the wounds over the One Nation group of Tory MPs.

His intervention will infuriate Tory party leaders meeting today to discuss strategy for uniting the party, with Tory MPs cock-a-hoop at the dam-

age inflicted on Labour over the Harriet Harman affair. Warning the One Nation Tory MPs that they have taken too long, he predicts in *Prospect*, a political monthly, that the Tories will choose Michael Portillo as their leader, if they are forced into opposition after the election.

"National Liberalism will be

the party's ruling ideology, a National Liberalism which will not be akin to National Socialism but which will still be deeply unappealing," he says. "Its Nationalism will take the form of being stridently offensive to our European partners...while not jibbing at sealing off our finest public buildings and our remaining industry."

Save Choose Arrange Organise Phone Mail

Move your mortgage for free*

Plus 2% discount for 2 years

5.74% (APR 5.9%)

Free legal option, Free valuation, No arrangement fee.*

Call...0800 828 585

Lines open Mon to Fri 8am - 8pm

Quote ref: IN23

Now we're talking mortgages.

*Free Free includes free valuation, no arrangement fee as part of the exclusive offer, the assumes that you are taking the free legal option using the solicitors recommended by the lender and that there are no redemption charges on your existing mortgage and the property is located in England or Wales. (In Scotland a contribution of £200 will be made towards legal fees.) A typical example of a £60,000 interest only mortgage over 25 years (300 months) on a property valued at £100,000 is: Initial nominal interest rate 5.74% and gross monthly payment £287.00 (net monthly payment £265.47) for 300 months from completion. APR = 5.9%. After the initial 2 year period the interest rate reverts to the lender's standard variable mortgage base rate. Total amount payable £145,100.00. Interest rates may vary but no account of any variation is taken in this example. Net monthly payments show the benefit of tax relief at 15% under the MARS system on £30,000 of the mortgage. The property will be mortgaged as security for the loan. Loans are not available to persons under 18 years of age. All mortgages are subject to status and valuation. Written quotations are available upon request. If you redeem your mortgage within the first 3 years, a charge equivalent to 5% of the amount redeemed early becomes payable. The mortgage is fully portable and no charge is made if you move home and take the same mortgage scheme with the lender on the same terms. Rates are correct and funds available at time of printing.

YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT.

Colonial Direct represents the Colonial Mutual Marketing Group which is regulated by the Personal Investment Authority. We can advise you only on our products. For your added security all telephone calls will be recorded and the recording kept secure.

Colonial Direct, Colonial Mutual House, Chatham Maritime, Kent, ME4 4YV

Get yourself AA protection from just £36*

With AA personal membership, all-round protection offers...

- Cover even when driving someone else's car or when travelling as a passenger.
- Roadside help whether your vehicle is immobilised as a result of breakdown, accident, theft or vandalism.

- Day-and-night, year-round service from the UK's leading motoring assistance organisation.
- Over 80% of all breakdowns fixed at the roadside.

- Priority to members in vulnerable situations, including lone women.

Call us today and you could save £5 Now, if you pay annually by direct debit or continuous credit card authority, AA protection can be

yours from just £36* a year. That's the equivalent of only £3 a month, and is £5 off the cash-payment price of £41.

To join, call free now on
0500 444 999
and ask for extension 6024

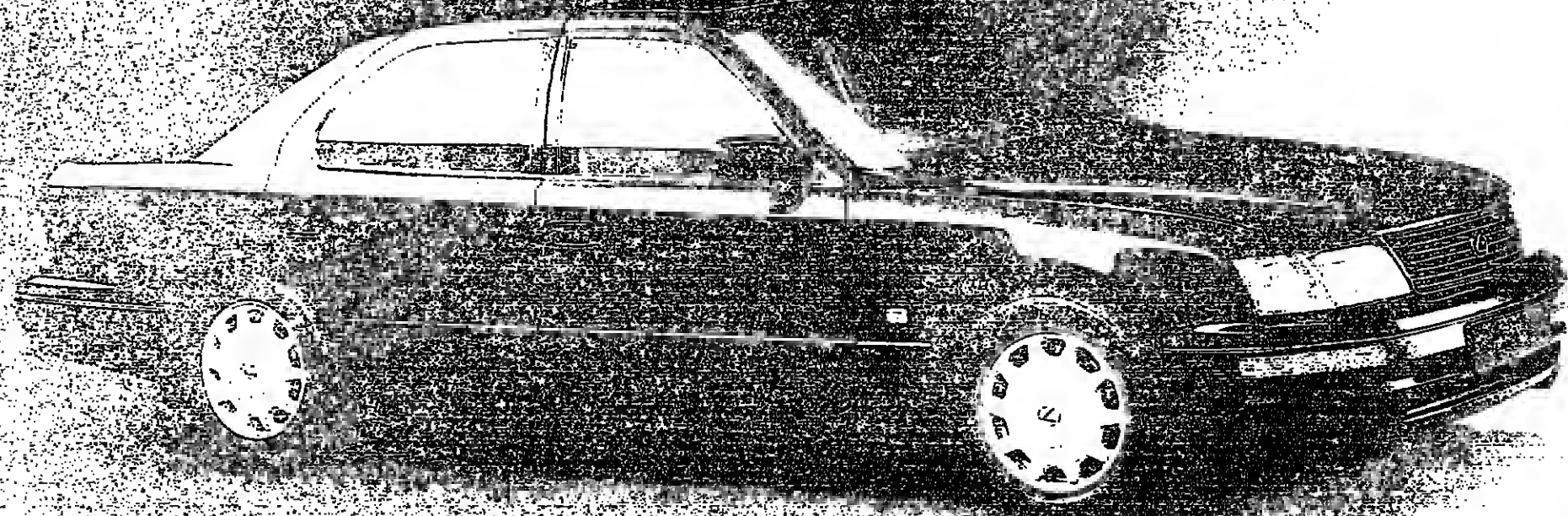
Immediate cover available.

TO OUR MEMBERS WE'RE THE 4TH EMERGENCY SERVICE

AA

*£36 price only applies to new members joining with Breakdown Option 100. Membership is subject to the Rules of the AA and full details of services, benefits and restrictions can be found in the current AA Handbook (available for inspection at any AA Shop).

Your car can say a lot
about you. Or you
can speak for yourself.



Call 0800 34 34 34

LEXUS

LS400

First Lady in the spotlight: Grand jury appearance eclipses President Clinton's big speech

Hillary faces ordeal over Whitewater

RUPERT CORNWELL
Washington

Mercifully for the dignity of the presidency, Hillary Clinton will be able to use a tunnel from an underground garage when she enters the District of Columbia's federal courthouse for her appointment with the Whitewater grand jury on Friday, thus escaping a media horde that might stretch from one end of Pennsylvania Avenue to the other.

But that is probably the only consolation to be drawn by the White House from an embarrassment never visited before upon a First Lady. Mrs Clinton, as her defenders tirelessly argue, may have committed no crime. But her summons alone has been a public relations disaster for a White House girding up for the President's State of the Union address last night, which for all practical purposes was the first salvo in his 1996 battle for re-election.

The minds of his audience of senators, congressmen and notables from every walk of life were less preoccupied with lofty presidential observations on taxes, a balanced budget, Bosnia or other burning topics than the political predicament brought about by his wife.

Four years after the details of a minor property venture first began to interest the American press, the Republican party and the judiciary, Mrs Clinton is more inextricably enmeshed in Whitewater's coils than ever. The woman who was a huge campaign asset for her husband in 1992 has become the most divisive First Lady in modern history — and a potential millstone in the election.

Even before news of the subpoena issued by the independent counsel, Kenneth Starr, emerged on Monday evening, her disapproval ratings stood above 50 per cent in opinion polls.

Of itself her appearance before the grand jury (an inves-

tigative as well as accusatory body which determines what if any charges should be brought in a case) proves nothing. Neither she nor the President has been indicted of any wrongdoing in the tangle of 1980s business dealings in Arkansas collectively known as Whitewater, nor has she received a "target letter" from the special prosecutor that would indicate she is a suspect.

In many respects, the affair is straight out of Pirandello — a cast of players in search of a crime or, as a *Washington Post* newspaper columnist wrote yesterday,



Bill Clinton: The 'character question' has been revived

"a roomful of shady characters but no corpse," where conspiracy theories are 10 a penny but facts are rare as gold dust. But the mere allegations of misdeeds by the First Lady suffice to revive the "character question" which has dogged her husband ever since he took office.

Grand jury proceedings are secret, but the issue at the heart of the Friday hearings is clear: whether the White House, in the person of Mrs Clinton, her personal aides or any other functionary, conspired to obstruct justice over a sheaf of documents subpoenaed and sought in vain for two years, which then turned up in a private room in the private quarters in the East Wing of the White House.

The 116 pages detail work done by Mrs Clinton as a partner in the Rose law firm in Little Rock on behalf of Madison Guaranty, the savings bank which collapsed in 1989 and which was owned by the Clintons' former partner in the original Whitewater property venture.

The whereabouts of the documents since 1992, when they were found to be missing from the Rose files, have been a mystery. They are covered with annotations by Vince Foster, Mrs Clinton's former Rose colleague, and close friend who moved to Washington with the Clintons in 1993 to become deputy White House counsel. That July Mr Foster committed suicide. The Republican-led committee on Capitol Hill investigating Whitewater insinuates that the papers were improperly taken from Mr Foster's office by staff of Mrs Clinton.

Then on 4 January they reappeared — lying on a table in the book room of the residence. In testimony last week, the aide who happened upon them, Mrs Clinton's director of personal correspondence, Carolyn Huber, said she thought they had been left there with the deliberate purpose of being found. Ms Huber has already testified before the grand jury. Now it is Mrs Clinton's turn, along with an executive assistant, her private lawyer, and Gary Walters, the head White House usher.

But the closer the examination, the more numerous the questions. Why should the documents have turned up at all? If they are as innocuous as Mrs Clinton insists they are, why did they vanish in the first place? And what was Vince Foster's involvement?

More than 20 years ago, Alexander Haig attributed the crash of 18 minutes of Oval Office tapes sought by the Watergate investigators to "sinister forces". In the case of the re-found files, the same uncharitable powers are apparently at work.



Embarrassment: A smiling Mrs Clinton arriving at the White House. This week's hearings could imperil her husband's re-election. Photograph: Wilfredo Lee/AP

Art world agog over NY's 'new Michelangelo'

DAVID USBORNE
New York

New York can boast many priceless artworks, in galleries from the Guggenheim to the Metropolitan Museum of Art, but it has not been able to count a sculpture by Michelangelo among them. Not until now.

In a find that has the art world agog, it seems that a 3ft (1m) statue of a naked boy hearing a quiver of arrows in the shape of a lion's paw, unnoticed for years in the lobby of a Fifth Avenue mansion belonging to the French government, may be an early work of the 16th-century Italian master.

Credit for the discovery is being conferred on Dr Kathleen Weil-Garris Brandt, a lecturer at the New York Institute of Fine Arts. She had for years been familiar with the statue, which rests on a Roman-style altar in the gloomy lobby of a house built at the turn of the century by a famous New York architect, Stanford White. The building is just around the corner from the Institute and houses the Freoch cultural centre.

It was only last October, that the possibly great origins of the piece began to dawn on Dr Brandt. The cultural centre was the venue for an exhibition of French decorative arts, and

for the first time, Dr Brandt saw the statue under the revealing glare of spotlights. "It reminded me forcefully in its every detail of the earliest works of Michelangelo," she said.

Subsequent research has revealed that the extensively damaged piece was offered at auction in London in 1902 by a Florentine collector, Stefano Bardini. It failed to attract a good price and was returned to Italy, where Mr White acquired it from a dealer. He shipped the statue to New York, and set it in the lobby of his new mansion.

Among those supporting Dr Brandt's theory is Nicholas Penny, chief curator for the Italian Renaissance at the National Gallery in London. "I am convinced she is right," he told the *New York Times*. "The more one looks at it, the more it grows on one, not only as a remarkable work of art but something that makes sense as a work of Michelangelo."

The Metropolitan Museum of Art has offered to exhibit the boy, but is only one among several museums manoeuvring to provide him with a new — and presumably better-lit — haven. There has been no word so far from the French government, nor from the directors of a great art museum far from New York, the Louvre.

Galileo unlocks Jupiter surprises

CHARLES ARTHUR
Science Correspondent

Astronomers around the world are digesting the news that Jupiter's atmosphere contains almost no water, and less helium than expected. They may now have to rethink theories on how the planets formed.

The information, just released by Nasa, the US space agency, came from the Galileo space probe, which travelled to the enormous gas giant's outer atmosphere and dropped a smaller probe into it last month. The data has taken until now to be sent back and collated.

The probe found that the expected cloud structure — three

layers of ammonia, ammonium hydrosulphide, and water and ice — was not there. The absence of water and lightning, essential prerequisites for life, puzzled researchers, who had expected to find both. They were also surprised by the low levels of helium, oxygen and neon.

The density, temperature and wind speeds of the atmosphere were all higher than expected, which has led astronomers to wonder if their ideas about how the planet formed are correct. Richard Young, of Nasa's Ames Research Center, said "We are left to wonder, 'Where is the oxygen? Where is the water?'"

News Analysis, page 13

The heart to grieve for all America's Billy Baileys

Dover, Delaware — You look at Anne Coleman and you wonder how a human being can endure so much.

Her oldest son, Tim, is brain-damaged, the victim of a brutal, unprovoked assault by strangers. Her daughter Frances was murdered, aged 24, in a Los Angeles back street, leaving a two-year-old child. The youngest of her three children, Danny, devastated by his sister's death, committed suicide.

Tonight a close friend, a double murderer by the name of Billy Bailey, will hang from the Delaware gallows.

All these calamities seem a long way from Lutterworth, in Leicestershire, where she was born in 1941 and led, until her departure for the United States aged 17, an uncommonly theatrical, but far from tragic, family life. Shortly after the end of the Second World War her mother had an affair with a German prisoner of war who was 18 years her junior. In 1948 her parents divorced, and mother married her German lover.

When Anne was 16 and just out of school, she met an American air force sergeant, Claude Coleman, who was based at Lutterworth. Sgt Coleman was 30 and black. He was the first black person she had ever seen. In the face of fierce family opposition, she married him. "My father was outraged. He said it wouldn't last six months. We've been married 38 years."

That was the only piece of good news Mrs Coleman related during a three-hour conversation at her home in Dover, a small and unremarkable American town in a sliver of a state barely bigger than the county where she was born. Since moving to Dover three years ago from Buffalo in New York state, she has risen above her neighbourhood's tranquil anonymity, making a name for herself in Delaware as a fervent campaigner against the death penalty — a stand which seems hard to reconcile with the mother of a woman whose killer was never caught.

"Look," she said, "if someone had given me a gun at the time and said 'This man killed Frances,' I would cheerfully

John Carlin on why one Englishwoman campaigns against execution in the US

have killed him. But that was the heat of the moment. The anger, sorrow, everything. But rationally I know I couldn't shoot someone. And I would never countenance the state doing it for me. It is a sickening, barbaric and medieval practice."

In the US, in particular, it was "a terrible lottery", Mrs Coleman said, in which the more poor and helpless you are, the greater the chances that you will be convicted of murder and sentenced to die.

Had Billy Bailey been defended by Of Simpson's "dream team" of lawyers, instead of by a public defender who had been disbarred from private practice for not caring enough about his clients, it is unlikely he would be on Death Row.

Bailey's crime, Mrs Coleman acknowledges, was horrendous. He shot dead an elderly couple in an alcoholic frenzy after robbing a liquor store. But the circumstances of his life, which she teased out of him during 18 months of Death Row visits, made such an explosion almost inevitable.

"He's been a thief all his life.

Even as a child he had to steal food to survive. He was one of 23 children. They lived in a two-room shack with their father, who married four times. Billy's mother died when he was six months old.

"The woman his father remarried was brutal to Billy. When he was 10 his father died, and after the funeral was over she abandoned Billy and his 12-year-old sister at the cemetery."

A married half-brother brought him to Delaware. The half-brother abused and beat him and during all of his teens he was in and out of juvenile detention centres. "Billy, I think, is someone condemned to death the moment he was born," she said.

Prison was Bailey's first home. She was his first mother. "Even though he's only six years younger than I am, I feel very maternal towards him, because he's never had any affection in his life." When she visited Bailey for the last time on Saturday he asked her for a strange gift of love: to be his witness at the hanging. She agreed, but the warden refused.

That may be because the warden fears a botched job, and would rather avoid Mrs Coleman telling the world about it, drawing graphic attention to the fact that for its population Delaware has a higher execution rate than Texas, or any other American state.

"Last week," Mrs Coleman said, explaining her suspicions, "four people from the Delaware corrections department went to Washington state to learn how to hang people. No one here knows how to do it. In Washington state they've had two in the last five years, so they're the American experts. I believe they've been doing some hanging training with heavy sacks since they got back. They're weighing Billy daily." Bailey has also had to suffer the indignity of having his false teeth removed, for fear that he deliberately chokes himself on them. But he has retained some vestiges of pride. A curious sense of pride. He was given the option of being executed by lethal injection — indeed, the authorities have pleaded with him to allow himself to be killed that way — but he was originally sentenced to hang and has exercised his legal right to ensure the sentence is enforced. "I'm not a dog," he has told Mrs Coleman. "I'm not going to let them put me to sleep."

Bailey is scheduled to hang one minute after midnight tonight (just after 5am British time tomorrow). Mrs Coleman means to demonstrate all day today in protest at his execution outside the Governor's house. At night she will camp as near as she can to a barn inside the prison where the gallows has been erected. "You know the time of death when it comes," said Mrs Coleman, who has attended these grisly vigils before. "You feel it in the air. It's like a huge collective gasp."

When the gasping is done Mrs Coleman will return home and she will sit and grieve for Billy Bailey, for her son and daughter and all the other Billy Baileys, all 3,046 of them at the last count, that await his fate on America's Death Rows. She will grieve as only she knows how.



Billy Bailey: He goes to the Delaware gallows tonight

NEED A LOAN?



USE YOUR PLASTIC.

When you need a loan but you don't need all the fuss, just pick up a phone.

A fast loan from Mercantile Credit is the easy, affordable way to apply for anything from £500 to £15,000. There's no interview, and we don't ask for any security.

We'll simply pop a cheque over in the post for you to spend on virtually anything.

What's more, you can have up to a whole 5 years to pay us back.

So if you need a loan, pick up the phone or post the application form today.

PHONE FOR A FASTLOAN
0800 111 777

0800-111-777 0800-111-777 0800-111-777

Example: 1. You apply for a £5,000 loan. You want the comfort of the Payment Protection Plan, premium £22.94, and up to 48 months to repay. Your monthly repayments would be just £119.88. Repaid by direct debit. The total amount payable £5,794.24. The APR is fixed at 18.9%. 2. You apply for £15,000 and choose 24 months to repay with our Payment Protection Plan, premium £22.94. You'll repay £76.15 each month by direct debit. The APR 20.9%. The total amount payable £22,741.40. 3. You apply for a £5,000 loan. Over 48 months you'll repay £165.52 per month by direct debit. The APR fixed at 15.9%. The total amount payable £7,792.16.

WOULD YOU MERCANTILE CREDIT IT?

WE'LL ASK THESE SIMPLE QUESTIONS WHEN YOU RING

FREEPHONE 0800 111 777

Barn till 9pm Monday to Friday, or 9am till 5pm Saturdays, or 10am till 7pm Sundays and quote this number: 3134

Loans are not available to people under 25 years of age.

Subject to status.

By applying by post please complete every section of this form.

If any question is irrelevant please write N/A.

(Use BLOCK CAPS throughout).

Please note that some calls may be recorded or monitored for training purposes.

Have you already made an application by phone? Yes ☐ No ☐

For office use only

YOUR DETAILS

Summa ☐ 25

For name ☐ 25

Date of birth ☐ / ☐ / ☐

Address ☐ 25

Postcode ☐ 25

Number of years since ☐ 25

If less than 3 years, please give details of your previous address ☐ 25

Address ☐ 25

Postcode ☐ 25

Number of years since ☐ 25

Set ID ☐ 25

Please tick the relevant box indicating if you are:

☐ Married ☐ Single ☐ Widowed ☐ Divorced

Have children ☐ Yes ☐ No

Other ☐ 25

Employed full time ☐ Part time ☐ Unemployed

Self-employed ☐ 25

Occupation ☐ 25

Employer's business name ☐ 25

Set ID ☐ 25

Years with employer ☐ 25

Has employer ☐ 25

Are you currently ☐ 25

Are you currently ☐ 25

Are you currently ☐ 25

Are you currently ☐ 25

Are you currently ☐ 25

Are you currently ☐ 25

Are you currently ☐ 25

Are you currently ☐ 25

Are you currently ☐ 25

Are you currently ☐ 25

MERCANTILE CREDIT
LOANS BY PHONE

FREEPOST, PO Box 281, Liverpool L69 8EJ

Branches in 12 major UK cities. See Yellow Pages for details.

For a complete list of our services, please contact our Customer Service Team.

© Mercantile Credit Ltd 1995. All rights reserved.

100% approval rate. No credit checks. No credit history required.

100% approval rate. No credit checks. No credit history required.

100% approval rate. No credit checks. No credit history required.

100% approval rate. No credit checks. No credit history required.

international

UN seeks deal for new Boutros term



MICHAEL SHERIDAN
Diplomatic Editor

A high-level deal is under discussion at the United Nations to guarantee the re-election of the Secretary-General, Boutros Boutros-Ghali, on condition that he steps down after two more years in office.

Mr Boutros-Ghali, 73, completes his first term at the end of this year, and most senior UN officials believe he will want to run for a second five-year term. The Secretary-General has not stated his intentions publicly and

on a visit to London this month gave the impression in private that he was undecided. He has, however, engaged a high-profile spokeswoman, Sylvia Foa, to improve the UN's presentation of its case at headquarters in New York.

The attraction of the bargain is that it would allow Mr Boutros-Ghali to preserve his dignity and it would avoid an embarrassing conflict over a job that is falsely supposed to be decided by international goodwill and consensus. "None of the credible contenders would want

to run in a contested election against an incumbent," said a diplomat. "That's the way it is."

The deal would require Mr Boutros-Ghali to step down at the end of 1998, when he will be 76, thus creating the precedent for a single seven-year period in office. Critics of the present UN system argue that restricting the Secretary-General to one seven-year term would remove the propensity for patronage and electioneering which plagues all top UN jobs and hampers reform.

The arrangement is under in-

formal discussion among diplomats from the major regional powers at the UN. According to Article 97 of the UN Charter, "the Secretary-General shall be appointed by the General Assembly upon the recommendation of the Security Council." In practice the appointment involves a delicate harmony between regional, racial and linguistic sensitivities.

Mr Boutros-Ghali, a former minister of state for foreign affairs of Egypt, appeared an ideal candidate before his election in 1991 - a Coptic Chris-

tian married to a Jew, an Arab from the African continent with the gift of elegant French and fluent English.

But his period in office has coincided with the sharp decline in global affairs and a continuing budgetary crisis which has sapped the morale of the organisation. He has disappointed some key member states who wanted wholesale reform of the UN, while he has become involved in sharp conflicts with the US over UN peace-keeping operations in Somalia and

Bosnia. His personal relations with the US ambassador to the UN, Madeleine Albright, are said by one official to be "prickly - breaking into shouting matches on occasion".

Some member states believe Mr Boutros-Ghali's style, like that of his predecessors, has become too similar to the protocol of a minor head of state. They would prefer the job to revert to its original description in the UN Charter as "the chief administrative officer of the Organisation" as part of a general reform of the UN.

Bosnians agree to free Serb prisoners

CHRISTOPHER BELLAMY
Tuzla

The Bosnian government showed signs yesterday of softening its demand for information on thousands of people who are missing and presumed dead in Serb-held areas of Bosnia.

The Muslim-led government had refused to release Bosnian Serb prisoners unless it learnt the fate of the missing.

Although some Serb and Croat prisoners have been set free, about 600 detainees from all three factions still await release, which should have taken place by last Friday under the Dayton agreement. But yesterday the US human rights envoy, John Shattuck, said after talks in Sarajevo with President Alija Izetbegovic: "I was assured by the President that he will continue to release prisoners."

This followed a warning by the US Secretary of State, Warren Christopher, that Bosnia could lose US aid to rebuild its army and repair war damage.

The International Red Cross, which is responsible for overseeing the release of prisoners of war, and the peace implementation force, I-For, insists that the release of prisoners must be unconditional. But the Bosnian government has insisted on using the Serb prisoners as a bargaining counter, contrary to international humanitarian law.

The peace agreement continues to hold. In the British-controlled sector, two Bosnian military police vehicles have been seized in the 4km-wide zone of separation straddling the ceasefire line and weapons have been confiscated.

On Monday the Bosnian government army in Travnik told the British liaison officer they were going to test some 105mm and 122mm artillery rounds. Under the peace agreement, they have to give five days' notice for such firings. According to a British spokesman, the liaison officer raised a "red card" but the Bosnian corps said the ammunition had been manufactured at a local factory and that the Dayton provisions therefore did not apply.

Whereas the area overrun by the Bosnian Croats in September is almost deserted and shows the signs of recent devastation, the area which has been returned to Bosnian government control appears less badly damaged, and yesterday local people were out walking and children were playing.

But the former battle fronts are mainly quiet. Large areas formerly controlled by the Bosnian Serbs and recaptured in the final phase of the war are now open to traffic from the Muslim-Croat federation and the UN, and from I-For, which enjoys freedom of movement over the whole country.

The government has also re-established control over a tarmac road running across the wild and desolate Ozren district, dramatically improving access to the big city of Tuzla, which for years could be reached only over a tortuous mountain route.

Along the strategic highway, new road signs have sprouted, pointing to Tuzla. They appear to be a proclamation of victory, as much as information.

Kinnock puts his money on single European currency

Brussels — Neil Kinnock, the European Union Transport Commissioner, is strongly urging a new Labour government to take Britain into the single currency at the start, should other countries decide to go ahead in 1999. Mr Kinnock also believes it would be a "perilous" error for Tony Blair, the Labour leader, to hold a referendum on the single currency before deciding whether to join.

So far, Mr Blair has made no commitment to join monetary union in 1999, saying Labour's decision would be based on the "consent" of the people, which could mean a referendum, or call for a mandate to join the single currency in the next election. In an interview with the *Independent*, a year after he joined the European Commission, Mr Kinnock stressed this week that he has no wish to "back-seat drive". But he warned that if the single currency begins in 1999, "life outside for any length of time for any major economy would not be easy."

Mr Kinnock spoke with confidence and optimism about a Labour victory in the next election, and predicted that Mr Blair would emerge as a new leader for Europe's centre-left over the next decade, saying: "He has the brains and the will. I think he can do it, though he might not realise it yet." The former Labour leader says he is enjoying exercising power of his own for the first time. Yesterday

Neil Kinnock tells Sarah Helm why Britain must join EMU from the start

day he launched plans for a "citizens' network" to boost Europe's public transport.

However, his confident predictions about Labour and Europe are clearly rooted in the assumption that Labour must first strengthen its commitment to a single currency. A referendum on a single issue, such as monetary union, would achieve nothing for Labour, he believes. "I think salami referendums on specific aspects of policy are perilous — perilous to the national interest, and not just to the reputation of politicians. I am not offering advice to the leader of the Labour Party. But if there was a referendum,

for whatever reasons, then it could be about one realistic question — in or out."

Any overt attempt by Mr Kinnock to influence the British political debate on Europe in the run-up to a British election would be deemed highly controversial in Brussels. In November, Mr Kinnock angered his Commission partners by suggesting in a private speech in Britain that the 1999 target date for the single currency was "unrealistic" — which some observers speculated was designed to help Labour. The claim is entirely unproven, and Mr Kinnock refuses to repeat his prediction, having been

reprimanded by Jacques Santer, the Commission President.

However, he still maintains that a delay for EMU would not be disastrous, and dismisses predictions that it would lead to a collapse for the EU, saying the idea that monetary union is only sustainable and credible if it takes place on a particular day "is simply not supportable". He continued: "I think the future will be better with monetary union, but the idea that this edifice will fall apart if it doesn't start in 1999 is an overstatement, to say the least."

Mr Kinnock knows that his moderate, anti-federalist views can only help Labour in its attempts to defuse Eurosceptic sentiment. Mr Kinnock is eager to emphasise that federalism has gone out of fashion: "There is nobody in Brussels who really wants to build a super-state."

He talks of the need to strengthen the powers of national parliaments over decision-making in Brussels. Federalist expectations raised by Maastricht were "misplaced", and changed circumstances now demand more "restraint" when the new inter-governmental conference starts in March.

Neil Kinnock campaigned for a "No" vote in the 1975 referendum on Europe. That, he says today, was "a very long time ago", and he now talks as if being pro-European is the most natural thing in the world. "Blair takes it for granted that Britain must be engaged with Europe,"



Neil Kinnock: Referendum on EMU would be 'perilous'

Tokyo trains set to fly into future



Flying underground: An artist's concept of the proposed £250bn turbo-prop powered maglev system; Japanese scientists are seeking finance to develop the winged subway train which would 'fly' 400 commuters between Tokyo and Osaka at up to 375mph, cutting the journey time from three hours to 50 minutes. Photograph: Reuters

Delors doubts on EMU fuel Euro-scepticism in France

MARY DEJEVSKY
Paris

Could it be that France, until now one of the most fervent supporters of a single European currency, is having second thoughts about the project? On and off the record, senior French officials are adamant that nothing is amiss. But when Jacques Delors, former president of the European Commission and an architect of the Maastricht treaty, says that even he is having serious doubts, the prospects for a single currency seem dim.

In the Bordeaux newspaper *Sud-Ouest* yesterday, Mr Delors referred to evidence of an economic slowdown in Europe and said: "The news from France and Germany is not reassuring. It will be difficult to achieve economic and monetary union within the agreed timetable [by 1 January, 1999]. Only four months ago, Mr Delors was insisting that the deadline could and would be met."

Mr Delors, of course, is not a member of any elected body in France, though he advises the Socialist opposition. As one of France's most faithful Europhiles and most popular

political figures, however, his words are noticed. In this case, they also chimed with a certain Euro-sceptical tendency in France that seems, if not to be growing, then to be edging into the open without apology.

The day before the interview appeared, doubts about the single currency or its timetable were voiced by two other senior figures in France, both seen as supporters of the project. Jean Gandois, president of the main French employers' organisation, said cheerfully that if the January 1999 deadline were not met, "I wouldn't see it as a crisis; what is important is the movement towards a single currency, not the calendar."

The other, Marc Vénot, head of one of France's biggest banks, Société Générale, was more forthright. Citing the slowing of economic growth, he described France's chances of meeting the single currency criteria as "negligible". The Maastricht treaty, he said, should be renegotiated and the introduction of the single currency postponed.

Their comments were published only days after two longstanding opponents of the treaty — the chairman of the National Assembly, Philippe

Ségui, and the head of Peugeot, Jacques Calvet, had come out with fierce restatements of their position.

Mr Ségui said he regarded the idea that it was "now or never" for the single currency as "stupidity of historic proportions". Mr Calvet, for his part, said that the fall of the Berlin wall had rendered the Maastricht treaty irrelevant. "Maastricht no longer exists," he said. "Maastricht is dead."

The question is whether they sensed that the national mood might now be running in their favour, or whether the government quietly set the single currency "debate" in train to prepare public opinion for what would be a major change of policy. The prospect that growth in France could fall as low as 1.5

per cent this year, and the budget deficit prove impossible to shrink without risking social unrest, could make a revision of the single currency timetable a tempting option.

Key people still insist, however, that France is on course for 1999. The governor of the Bank of France, Jean-Claude Trichet, said last week that France could meet the criteria, and on time. Senior officials ogle that any change would require a renegotiation of the Maastricht treaty, and fresh ratification by the French parliament — the inference being that it might not get through. But their assurances are increasingly sprinkled with references to "flexibility" and "pragmatism", leaving plenty of escape routes open.

UNSECURED PERSONAL LOANS

look at 13.8% APR

Example	48 monthly repayments	Total amount payable	APR
Hamilton Direct Bank	£112.79	£5,413.92	13.8%
Bank of Scotland	£118.10	£5,668.80	16.9%
Bank of Ireland	£118.10	£5,668.80	19.9%
Bank of Wales	£116.00	£5,568.00	18.7%

HAMILTON
Direct Bank
A Division of HFC Bank plc

You'll see in the table above how our lowest rate ever compares to those of some of our competitors. With Hamilton Direct Bank, a division of HFC Bank plc, the bank behind The GM Card, you can take out an unsecured Personal Loan for any amount from £500 to £10,000 for absolutely any reason! For example, buying a new car, paying off your credit cards or building a new kitchen. So why not take advantage of our attractive fixed rates:

13.8% APR
on unsecured Personal Loans from £5,000 to £10,000.

16.9% APR
on unsecured Personal Loans from £500 to £4,999.

We have the money to hand.

Are You A Poor Talker?

WHAT THIS FREE BOOK WILL SHOW YOU

- How to talk easily and effectively
- How to overcome self-consciousness
- How to win friends and improve your life
- How to earn more — get a better job
- How to increase your word-power
- How to develop poise, charm and personality
- How to say the right thing always

To: Effective Speaking Programme (Dept. 105/16), FREEPOST, 246, London WC1A 7BR. Please send me your free effective speaking book with proof that this unique method really works.

NAME (PRINTED) _____
ADDRESS _____
Postcode _____

My stamp needed in U.K. or E.C.

*13.8% APR is available on loans from £5,000 to £10,000. † Loans for business or charitable purposes are excluded. ‡ Rates are correct as at 11/01/96. This offer is not available to the Isle of Man. A written quotation of our credit terms is available on request. All loans are subject to status. You must be aged 21 years or over and in receipt of a regular income. The minimum loan is £500. Hamilton Direct Bank, a division of HFC Bank plc, an authorised institution under the Banking Act 1987. Registered Office North Street, Winkfield, Windsor, Berkshire SL4 4TD. Registered in England No. 1117305.

Bosnians agree to free Serb prisoners

Amir tells court he shot Rabin 'for God'

PATRICK COCKBURN
Jerusalem

Yigal Amir confessed yesterday to killing Yitzhak Rabin, Israel's prime minister, but said it was unpremeditated. In a rambling statement at the start of his trial, he said: "My aim was to shoot him in such a way as to end his activity as prime minister, either by paralysing him or, if there was no choice, by killing him."

Asked if he regretted murdering Rabin, Mr Amir, 25, a law student from a religious family, said: "No." He also said he carried out the assassination "for the greater glory of God". His lawyer said he had advised him not to make a statement but that it amounted to a plea of not guilty to premeditated murder.

Mr Amir's claim that he would have preferred to wound Rabin was contradicted by a policeman who spoke to him in the hours after the assassination. He said when he told Mr Amir, as a test, that Rabin was not dead, he appeared disappointed and said: "That cannot be."

Mr Amir also seemed to contradict himself when he admitted he fired twice more after the first shot to make sure Rabin would die. "I didn't want to leave any chance that he would stay alive as prime minister," he said.

There was an element of farce as the trial began in Tel Aviv, because of a dispute between Mr Amir's lawyers, Jonathan Goldberg and Mordechai Ofri, who contradicted each other.

Mr Ofri said there were differences over what line to take and at the end of the hearing, adjourned until Sunday, said he did not know if he was still representing Mr Amir.

Excerpts from Mr Amir's

interrogation by the Shin Bet security agency throw light on his character and beliefs. He said once he was aware something was a religious commandment "there is no moral problem. If I was conquering the land now, I would have to kill babies and children, as it is written in [the Book of] Joshua."

On the question of how many people were involved in the plot to kill Rabin, Mr Amir and his brother Hagai were given repeated lie-detector tests. Asked "Are you hiding people from us who were involved in the preparation?" both said "No". The lie detector indicated that both were lying.

The police at first said they believed there was a conspiracy to kill Rabin but later backed away from the claim. A reason for this was the disclosure that one of those under arrest, Avishai Raviv, was a long-serving Shin Bet agent. The far right, under attack for creating the atmosphere of violence last year, began to say the government's agents provocateurs were involved in the assassination.

There was evidently a broad-ranging conspiracy to oppose by force the Oslo peace accords and the withdrawal from the West Bank. Its members were religious students at Bar-Ilan university, who had access to military equipment through the Golan Brigade, in which some of them had served.

They planned to attack Palestinian targets, but at least three, the Amir brothers and Dror Adoni, started to stalk Rabin and consider ways of assassinating him. On the night of 4 November, however, Yigal Amir apparently acted alone when he decided to wait for Rabin to leave a peace rally held in front of Tel Aviv city hall.

Burundi crisis: Government dithers as ethnic killings multiply and country slides into chaos



Rwandan Hutus fleeing Burundi violence cross into Tanzania. Some 15,000 got in; 19,000 are trapped in no man's land after the border was closed. Photograph: Reuters

Life of terror for Hutus in 'dead city'

DAVID ORR
Bujumbura

A Bible by his side, Daniel Nahimana lies on a bed in a makeshift health centre on the outskirts of Burundi's capital. A bandage on his right leg marks the bullet wound he received when soldiers moved into the nearby hillside settlement where he was staying. He ran into a banana grove when the shooting started but was hit as bullets sprayed his hiding place.

"There are no Hutu guerrillas in this area," says Mr Nahimana, who once lived in the predominantly Hutu suburb of Kamenge, which was "cleansed" of its residents by the army last June.

"The soldiers are attacking ordinary civilians. My house in Kamenge was destroyed, so I had to stay with relatives. Now it's no longer safe in the hills. My wife and children have gone to live with other family members. We have nothing left."

Mr Nahimana, a builder, used to work alongside Tutsis, but after the escalation of ethnic conflict last year he no longer felt it safe to move around Bujumbura.

Across from him lies a Hutu woman wearing a T-shirt bearing the smiling face of the Pope. Odette Nyabenda was shot in the neck when she recently returned to visit her house in Kamenge. Her voice is a feeble croak, she says she did not even see the people who shot her.

There are other wounded in the bare-walled room, among them a little girl who was shot through both legs. Outside are clustered some women, preparing beans and maize delivered once a week by the United Nations World Food Programme. They are among 4,000 former Kamenge residents now living at the Centre Johnson, a Plymouth Brethren mission station at the foot of the hills overlooking Bujumbura. The sick are tended by nurses from the aid agency Médecins sans

Frontières. The mission's single-storey school buildings now serve as living quarters for the destitute families.

Elsewhere around the mission station are dotted hundreds of box-like corrugated iron shacks covered with tarpaulins, the muddy paths between them cluttered with ragged children and women bent over cooking pots.

Occasionally gunfire can be heard in the hills. The Hutu families who continue to seek refuge at the Centre Johnson say it is the sound of the Burundian army attacking innocent Hutu civilians. For its part, the military claims the operations are designed to weed out the *bandes armées*, or Hutu guerrillas.

The Centre Johnson is one of the last Hutu enclaves on the edge of an almost exclusively Tutsi town. No taxi driver wants to go there. You might as well ask a Northern Ireland loyalist to walk up the Falls Road singing "God Save the Queen".

On quiet days Hutu traders still venture into the marketplace to sell their produce, but to do so they must run the gauntlet of the Tutsi youth gangs who patrol the streets.

These thugs, known variously as the *Sans Echees* (Without Failure) and the *Sans Defaite* (Without Defeat), have been implicated in the massacres of Hutus which have been taking place with increasing frequency throughout Burundi during the past year.

The presence of heavily armed soldiers from the largely Tutsi army does little to allay the fears of the few remaining Hutus coming into the capital.

For the past week, Bujumbura has been subjected to a *ville morte*, or dead city, action by Tutsi extremists of the Society of Youth for Democracy (Sojodem).

This misleadingly named militant grouping, whose avowed aim is the ousting of the democratically elected Hutu president, Sylvestre Ntibunganya, has succeeded in paralysing much of the town.

Civil servants, bank officials and other workers have been intimidated into staying at home, and there has been little traffic in the streets. By the time of the evening curfew, Bujumbura has become a ghost town.

"The increase in military 'actions' in the countryside by the army and by Tutsi militias has seen a corresponding rise in the incidents of sabotage by Hutu extremist groups such as the *Interahamwe* [Those who never sleep]."

In recent weeks, Hutu guerrilla attacks against electricity and other installations have plunged Bujumbura into darkness and cut the water supply.

"The Hutu guerrilla war is probably only starting," said one aid worker. "What we've seen is nothing compared with what they might soon be doing: firing rockets on the town from the hills, blowing up bridges and laying mines."

The government, an increasingly ineffectual coalition of Hutu and Tutsi parties, seems incapable of acting to prevent the country's slide into chaos, which began two and a half years ago with the assassination of Melchior Ndadaye, Burundi's first Hutu president.

Despite pleas for calm from President Ntibunganya and his Tutsi Prime Minister, Antoine Nduwayo, attacks continue to mount and killers act with impunity.

The government has launched a half-hearted programme of *sensibilisation*, preaching the virtues of reconciliation to the populace. But with the leadership so obviously unsure what course to steer, the venture has, not surprisingly, generated little enthusiasm.

The other day Mr Nduwayo invited a gathering of government ministers and top civil servants to present their proposals for a return to peace: a single raised hand, a few rambling speeches and prolonged periods of silence were the muted response.

N Korea's odd game plan worries West

RICHARD LLOYD PARRY
Tokyo

Picture the scene. We are in Korea at the final of the 2002 football World Cup. As the striker for the united All-Korea side powers his third goal past the Japanese keeper, the crowd of weeping North and South Koreans embrace one another like brothers. At a ceremony in the demilitarised zone between the divided states, the Cup is jointly presented by the retired president of the South, Kim Young Sam, and Kim Jong Il, the North's "Dear Leader". This bizarre scenario is con-

jured up by a remarkable communication, sent by the North Korean government to FIFA, football's world governing body. Since the 2002 World Cup has been a contest between South Korea and Japan. As in the run-up to the 1988 Seoul Olympics, the idea of a united Korean bid was raised, but tensions on the peninsula last year rendered it impossible.

Then yesterday, the South Korean Football Association revealed the contents of a fax that was sent two weeks ago to FIFA's general secretary, Joseph Blatter. Signed by the chief

of the North Korean FA, it sought "working advice on what points should be solved with regard to the plan of a North-South joint hosting of the 2002 World Cup".

On the South Korean World Cup committee, the fax caused great excitement. They believe a tournament to promote harmony in the world's last Cold War flashpoint would be almost irresistible to FIFA.

No one else gives the idea a chance. Apart from the lack of time (the host nation will be chosen in June), the obstacles look insuperable. What currency would be used, and who

would select the squad? Above all, which of the rival Koreas, still technically at war, would host the final?

The affair illustrates the nervousness of the Pyongyang government, which is one day threatening war, the next suggesting joint sporting events.

Tomorrow, senior officials from South Korea, the United States and Japan will gather in Hawaii to read the tea leaves at a puzzling time for the divided peninsula.

Food aid to Pyongyang will be at the top of the agenda. It has been a cause of deep concern since floods in the summer

devastated the North's rice harvest. The International Red Cross this week echoed claims by the UN that 130,000 North Koreans face starvation unless donor states top up relief supplies. Japan is sceptical and the US cautious. South Korea insists further shipments must be linked to improved relations between the two countries.

The mere presence of foreign charities is a turnaround for Pyongyang. For 40 years, it rejected almost all foreign contact. Optimists view the country's ailing state as a chance to draw it into the international community.

But in other respects, it has been a tense winter. In October, a pair of spies were shot as they tried to penetrate the South, while the defection of North Korean military officers and diplomats has been denounced by Pyongyang.

Last week a meeting between US and North Korea to discuss the return of American bodies from the Korean War ended in acrimony. In December, Pyongyang's troop movements raised fears of an attack. The manoeuvres were halted in the New Year as the entire North Korean army was ordered to attend indoctrination lectures.

Blowing in the wind ain't such fun on Highway 61

"When you're lost in the rain in Juarez and it's Easter time, too..." We were playing the Dylan song, and the entire *Highway 61* album, as we set out from Chihuahua up Mexico's Highway 45 to Ciudad Juarez and the US border. It's a cassette I always carry with me.

We never got lost in the rain but by the time we were halfway there, we wished we had. It was a fine morning in Chihuahua, 200 miles south of the border cities of Juarez and El Paso, Texas — the perfect day for a drive, even if our wheels were only a small white Chevy, the US equivalent of a Vauxhall Nova.

By the time we stopped for coffee and petrol, a mean wind had whipped up and tumbledweed had piled up against the car. Most tumbledweed I'd seen was in the Peanut cartoons, drifting past the Arizona home of Snoopy's brother, Spike. But as we drove north up Highway 45, we ran into the kind of tumbledweed we never want to see again. Or rather, it ran into us.

There were hundreds of giant balls of twigs crossing the highway every hundred yards and travelling at about 50 miles an hour. They got bigger and bigger until some were 10ft high, and not "weed" but

JUAREZ DAYS

bunches of hard scrub rocking the car with each hit.

Then came the sandstorm. Within minutes we were down to crawling pace, our emergency lights flashing, peering but barely seeing beyond the bonnet. When we saw flashing lights, we stopped and discovered others had collided off the road.

I'd been through sandstorms during the Gulf war, but there's a difference between being in a sturdy tent with American Marines and armoured vehicles

outside, and being stranded in a small saloon car with sand piling up against your door.

We were edgy but I couldn't stop thinking of the song the British "Desert Rats" sang in the Saudi desert, waiting for the Gulf war. To the tune of Louis Armstrong's "Wonderful World", they'd croon: "I see skies of blue. And sand and sand. And sand and sand. And sand and sand. And I think to myself, wot a lot of sand." This time, there was no sky of blue. Only sand.

A huge lorry began crawling forward. We followed in a convoy until the storm subsided and we got to Juarez, where Francisco "Pancho" Villa launched the Mexican revolution.

There we saw giant advertising hoardings down, windows smashed and streets turned into sand dunes. Power was off, roofs had been torn from buildings and at least five people died. Most people had stayed home, and were surprised we'd been out on Highway 45.

There was only one place to go. If Dylan's song put Juarez on the map, Marty Robbins' ballad "El Paso" ("Out in the

west Texas town of El Paso") did the same for the town on the northern banks of the Rio Grande. "Night-time would find me in Rosa's Cantina," Marty sang. So there we went.

Marty was born in Juarez and was inspired to write the cowboy song after a visit to Rosa's, a few hundred yards north of the border, in a dimly lit street, now overshadowed by a power station. The back door through which Marty's cowboy fled has been removed. It seems too many disappointed tourists were urinating in the back yard.

Phil Davison



Amira Yassin, and Mohammad Yassin, both aged eight, at their engagement ceremony in Aqaba, Jordan

China detains orphanage protester

Peking — Xu Xinyuan, a former delegate to the Shanghai Municipal People's Congress, has been held in investigative detention since November, Human Rights Watch said, writes Teresa Poole. In 1991 and 1992, Mr Xu was one of 16 delegates who urged an inquiry into alleged abuses at the Shanghai orphanage.

Nothing sacred for German 'angels'

Munich — Two nurses spent the past year visiting churches across southern Germany stealing crucifixes, cherubs, paintings and other objects worth 300,000 marks (£134,000), police said. Bavarian art theft investigators caught the two 53-year-old women in the act of stealing a manger from a church in Neresheim. AP

From just £30 the RAC covers you in any car

From just £30 for a full 12 months' cover, no one offers you more security on the road than the RAC.

■ RAC Rescue covers you, not your car. So now you can call on us whenever you need fast roadside assistance, even when you're simply a passenger in someone else's car.

■ Roadside Rescue. In more than 8 out of 10 cases, our patrols can fix cars on the spot. Otherwise, they'll tow you to a nearby garage, free of charge.

■ Accident Service. A replacement car, free legal advice, plus we'll deal with your insurers.

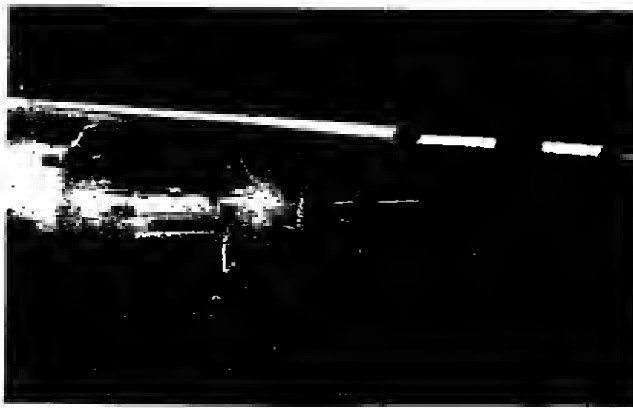
■ Theft and Vandalism Cover. If your car's stolen or can't be driven because of vandalism, we'll remove it to a nearby garage or secure area.

■ Battery Assist. A new battery on the spot.

Whatever service you use, callouts and our labour are free — you only pay for parts.

You can also tailor your cover to meet your needs, with the option to take out Joint and Family Cover or add our 24 phone service.

Don't wait until you break down. Find out how to join the RAC today.



IT SAYS YOU'VE ARRIVED

*Rescue costs £30 if you pay by Continuous Credit Card Authority or Direct Debit. All prices include an emergency fee. Phone lines open Monday - Friday 8am - 8pm, Saturday 9am - 5pm, Sunday 10am - 4pm.

PHONE FREE TODAY ON
0800 029 029

OR INTERNET
<http://www.rac.co.uk/>

AND QUOTE SS17703/XX

FREE RRP £8.99
When you join the RAC today

YES - I want to join the RAC. Please tell me how I can join from just £30:

Mr/Ms/Miss/Ms

Address

Postcode

Telephone

Send to: RAC Rescue, FREEPOST, Bristol BS38 7AU. (No stamp needed.)

ST0004/SS1769/3/XX

12 obituaries / gazette

Rudolph Wanderone

Disdained by the top tournament players but loved with a wink by nearly everyone else, Rudolph Wanderone, known for much of his life as "Minnesota Fats", was America's billiard character of the century.

He was fat, at 300 pounds, but he wasn't from Minnesota. In like fashion, much of his life was lived in half-truth. So, when Wanderone died last week of heart failure, he left many fans and not a few journalists wondering whether he was really the vivid "Minnesota Fats" character of Walter Tevis's atmospheric novel *The Hustler*, portrayed on the screen by Jackie Gleason in the 1961 film.

He wasn't, but in a stroke of marketing genius, when the motion picture was released he immediately proclaimed himself to be that fictional player. He possessed just enough skill, the correct girth and more than ample swagger to convince audiences that he was the genuine article. So persuasive was his story that Tevis was forced to add a note denying it in later editions of *The Hustler*.

Born, by the most reliable accounts, in 1913 to a Swiss family in the Washington Heights section of New York City, Wanderone (nicknamed "Roodle" as a child and later "New York Fats") was exposed to pocket and three-cushion billiards at the age of four and claimed to have started playing for money

two years later. His was not the polite world of English billiards and snooker, but the basement society of fast nineball games and proposition bets. He avoided employment his entire life, preferring the anxious existence of the "road player", an itinerant cue-man whose lone objective is the separation of opponents from their life savings. This life suited his first wife, Evaline, to whom he was married for nearly 44 years. When aged 70 Wanderone finally took a job promoting pool tables, she promptly won a divorce.

He was a good shooter, excelling at the money games of One-Pocket and Bank Pool, but his surpassing talent was in "making a game", figuring just how much of a handicap he had to give his victim to keep the cash flowing. Wanderone long eschewed tournaments, since he couldn't see the point in playing for three weeks for a chance at \$2,000 when he could win more by hustling in a single night. His lack of refereed public victories hinders any genuine critical appraisal of his prowess with a cue, but in his prime, in 1948-55, he was among the best in private money games.

In the 1960s, he hosted a billiard television programme in Chicago and later played a televised series of challenge matches against Willie Mosconi, who since 1941 had been regarded as the best pool player in the world. Mosconi had the better of these contests, but

Wanderone attracted a large following with his exaggerated tales of hustling (he once estimated in mock seriousness that his lifetime winnings had totalled \$100m) and was credited with keeping American billiards thriving for almost two decades at a time when it might otherwise have died out.

In 1984, in a gesture of appreciation, the Billiard Congress of America inducted him into its coveted Hall of Fame, an honour so rare it has been bestowed on barely 30 individuals since 1966. Yet even this prize ranked, since he was honoured in the "Mediculous Service" category rather than the exalted wing reserved for "Greatest Players". After his divorce in 1985, Fats took up residence, rent-free, in a Nashville hotel, where he held court each day at a pool table especially installed for his use. Ever seen in the company of attractive young women, he married Theresa Bell, 50 years his junior, several years ago.

Wanderone lived to see pool's second modern renaissance, spurred by the 1986 film *The Color of Money*, a sequel to the original *Hustler*, and knew that he had a substantial hand in bringing it about.

Mike Shamoon

Rudolph Walter Wanderone, billiards player; born New York 19 January 1913; twice married; died Nashville, Tennessee 18 January 1996.



"Minnesota Fats": Wanderone shooting pool in 1986

Photograph: Range / Bettmann / UPI

The Very Rev Harold Frankham

Harold Frankham began his working life in banking, and his eye for detail and admiration for efficiency was carried into a distinguished ministry in the Church of England.

His gifts developed widely. He was an accomplished musician, a friend and patron of artists and a fine evangelistic preacher. His conversion to personal faith changed the direction of his life and took him, in the early days of the Second World War, to train at the London College of Divinity and then to a formative curacy at Holy Trinity, Brompton. The vicar, Bryan Green, quickly saw Frankham's enthusiasm and gifts, and thus began a lifelong partnership which took them to many parts of the world and especially the United States, on hundreds of evangelistic missions.

When he took his first benefice at St Mary's, Addiscombe, in south London, he struck up a friendship with the principal of his old college, Donald Coggan. It was a creative partnership which resurfaced in the 1950s when Coggan was Bishop of Bradford and then Archbishop of York and Frankham was Rector of Middleton, Manchester. In Middleton he caught the mood of the times, built up a large congregation and tested the energy of his curates. Significantly, he also developed an ancient building for modern use, and this eye for beauty, enlarged for economy and worship, was to be a hallmark of his next two major posts.

In 1961 he moved to his home town of Luton to take charge of a large town-centre parish. Amidst all his travels, his moving and often provocative preaching, and his meticulous training of curates, he embarked on a vast building scheme. It was to drag him through consistory courts, but he achieved a development built on a churchyard and adjacent to a medieval building. All these gifts and experience were crowned with 12 creative years at Southwark. His personal friendship with the architects George Pace and Ronald Sims enabled bold plans to take shape for the extension and enlargement of that great cathedral. His vision commanded the respect of people in the City and the money flowed in. Shortly after his retirement, he was able to return to Southwark to see the Queen open the fulfilment of his dream. He had turned a neglected and rather forgotten building into a centre of worship and Christian teaching which could take its place proudly amongst London's other two cathedrals.

From successive home bases his energy was felt in many parts of the Church, notably in the foundation of Scargill House in Wharfedale, in the Yorkshire dales. His partnership with Coggan and Pace was again used to turn a country house into a place of breathtaking beauty where the faith was evoked and sustained. His ability to inspire others with his vision also enabled him to

become a fund-raiser it was difficult to refuse. In the 1960s Frankham was also the executive secretary of the Archbishop's Council for Evangelism and, with Cuthbert Bardsley and John Poullin, pressed upon a somewhat deaf church the need to proclaim the gospel to the unconverted. It paved the way for today's greater awareness in the Decade of Evangelism.

There were some struggles in his life. As a young man Harold Frankham had suffered from polio and its effects never entirely left him. The loss of an infant child and of his close friend Dick Marsh in a climbing accident left their scars. His early upbringing had tended to narrow piety and he wrestled with conscience when the breadth of his personality and his delight in the good things of life seemed to war against the foundations of his faith. He remained true to a Christian gospel of salvation while discovering to the full the delights which creation has to offer.

His years at Southwark brought him under the liberating influence of Mervyn Stock-



Frankham: honest freedom

wood, and together they found the honest freedom of children of God. A note discovered after his death included the sentence "An important element is fun in the Christian life", and his ready sense of humour together with an occasionally devastating judgement signalled that the early shackles had been discarded.

Harold Frankham and Mervyn Stockwood both retired to Bath, where Frankham's wife, Margaret, had a care for each of them. Her devotion and constant encouragement were a great stabilising feature of Frankham's ministry. Their hospitality in successive homes was prodigious. Harold and Margaret Frankham were likely to welcome a tramp for breakfast, a curator and a banker for lunch and the churchwardens for supper. And on each occasion they produced the appropriate beverage.

Michael Turnbull

Harold Edward Frankham, priest; born 16 April 1911; ordained deacon 1941, priest 1942; Vicar of Addiscombe 1946-52; Rector of Luton 1961-70; Provost of Southwark 1970-82 (Emeritus); married 1942 Margaret Anne (one son, two daughters and one son deceased); died Salisbury 17 January 1996.

Norman MacCarg, poet, died 23 January, aged 85. [An obituary follows.]

Kaj Burstedt, air force officer, died London, aged 80. Danish fighter ace who fought with the RAF in the Battle of Britain. Took part in 400 raids on German targets. Worked with Nato

in Paris and Brussels from the end of the Second World War until 1980.

Fatma Rashid, actress, died 23 January, aged 88. Known as "the Sarah Bernhardt of the East", she played lead roles in Egyptian film and theatre, including *Hamlet* and *Joan of Arc*.

Ellis Hillman

Ellis Hillman was in his own words "a ubiquitous rather than wandering Jew". He was a senior lecturer in environmental studies at the North East London Polytechnic as he gathered up a portmanteau of local government appointments which caused more selective spirits to raise a cynical eyebrow or two.

This lust for the burdens of office and his general demerit hid a tough and calculating personality. He greeted everyone with "shalom" as if they were on the set of *Fiddler on the Roof*, but he was a staunch supporter of the state of Israel. This sometimes caused him to be paranoid about the 1970-80 generation of the Left in Labour London, whom he saw as anti-Zionist.

Hillman became a member of the London County Council in 1958 and remained in County Hall as a leading Greater London Council member until 1981. The old right regime at the LCC recognised his various

gifts but the first XI was not open to him. There were dark rumours that he had flirted with the Trotskyite cell of the infatuated Gerry Healey, and some said he had known Ken Livingstone before most of us. Yet there was a determination and durability in him and he seemed to be on every committee and board of college and school governors in his constituency.

He flowered in the Labour GLC administration of 1973-77. We made him the chairman of our arts and recreation committee. This handsomely funded body had grown out of the LCC's parks department into a cornucopia of the arts. Ellis was in money terms London's leading impresario. The South Bank he saw as his immediate fiefdom. The GLC stood behind the arts lobby and pushed it forward. Arnold Goodman, the former chairman of the Arts Council, greatly approved of Hillman's role. Indeed Hill-



Hillman: genuinely eccentric

man seemed to attend every function from the Clapham Horse Show to an evening of chamber music in the Ranges of House, Blackheath.

Alas, the inflation crisis and the IMF fiasco of 1975 caused us to drastically cut GLC expenditure, unnecessarily as it proved. This did not daunt Hillman, although marriage made him more precise about

his religious duties. He disappeared quickly before twilight on Fridays. However, his public appointments continued to grow and sometimes they seemed very unlikely: he was even a member of the Sports Council. He remained a member of the GLC Labour opposition from 1977 to 1981 and continued to serve in many ILEA positions. The new Left wrote him off in 1981.

Yet in 1986 he got himself elected as councillor in the London Borough of Barnet, one of whose MPs was Margaret Thatcher. At the last local elections he fell to a Lib-Lab alliance and in 1994-95 Ellis became its first ever Labour mayor. The Tory stronghold held its breath.

His first act was to remove all outward and visible signs of Thatcher from the Mayor's Palace. An old friend offered him a hut of Lenin as an alternative. His demeanour in the mayoral Damocles was irreproachable and his civic conduct

quickly won approval in this leafy suburb of north London.

There is a wonderful New York Jewish anarchist character created by the writer Leo Rosten, one Hymie Kaplan Hymie is a zealous adult student of the Earth is flat founded and elected himself President of the Lewis Carroll Society in 1949, consorting with others who could have come out of Wonderland itself, and had a continuing obsession about subterranean London, serving as Chairman of the London Subterranean Survey Association from 1968. He organised an early day conference on reworking Britain and the coming of the cable in the late Sixties.

He wrote with Richard Trench a fascinatingly illustrated book *London Under London* (1985). One memorable paragraph begins: "Sink a bottle hole at Golders Green and it will pass through 259 feet of clay, 49 feet of sand and pebbles, 15 feet of Thanet sand and 329 feet of

chalk, layers of flint and two layers of fossils."

There is a wonderful New York Jewish anarchist character created by the writer Leo Rosten, one Hymie Kaplan Hymie is a zealous adult student of the Earth is flat founded and elected himself President of the Lewis Carroll Society in 1949, consorting with others who could have come out of Wonderland itself, and had a continuing obsession about subterranean London, serving as Chairman of the London Subterranean Survey Association from 1968. He organised an early day conference on reworking Britain and the coming of the cable in the late Sixties.

He wrote with Richard Trench a fascinatingly illustrated book *London Under London* (1985). One memorable paragraph begins: "Sink a bottle hole at Golders Green and it will pass through 259 feet of clay, 49 feet of sand and pebbles, 15 feet of Thanet sand and 329 feet of

Bobby Langton

With Tom Finney and the incomparable Stan Matthews bestriding English football so majestically in the immediate post-war years, international prospects for wing men of less rarefied talents were limited. All credit, then, to Bobby Langton for collecting 11 caps and doing enough to suggest that he might have won many more.

The forthright Lancastrian, who was always ready to stand up for his employment rights during an era when clubs believed that players should be seen and not heard, was a pow-

erful outside-left with a rasping shot. In his early days, he relished cutting in from the flank to create havoc with his direct running, though many maintained he was more effective in later years, when wily tactical acumen compensated for reduced pace.

Langton turned professional with Blackburn Rovers, having been signed for £50 from the non-League Burscough Victoria as a teenager in 1937. Within a year he was in the senior side, becoming top marksman with 14 strikes in 37 games as

Rovers won the second division title in 1938-9. Then came the war, much of which he spent as an infantryman in India, though some of it he was a guest with Glentworth, helping them to reach the Irish Cup Final.

With Finney preferred fleetingly to Matthews on the right flank, England gave Langton his first cap in their opening peace-time international, against Northern Ireland at Belfast in 1946, and he scored in a 7-2 victory. He retained his place for several matches, then after playing intermittently un-

til winning his last honour in 1950.

By then he had changed clubs, having left Blackburn when they were relegated in 1948 and joined Preston North End in a £16,000 deal. Langton scored a goal after only seven seconds of an early game for his new employers, but did not settle at Deepdale, Bolton Wanderers paying a club record £20,000 for his services in 1949. He served the Trotters well, picking up an FA Cup losers' medal against Blackpool in the famous "Matthews final" of

1953, only for a dispute to result in his return to Blackburn that autumn. Though 34, he proved a sound acquisition, contributing fruitfully for three years before a brief spell in Ulster with Ards. There followed service to a succession of non-League clubs, culminating with a stint as boss of his home club Burscough Rangers in 1968.

Langton epitomised the finest traditional qualities of Lancashire football - down-to-earth realism, spiced with a certain flair.

Ivan Ponting



Langton: a rasping shot

Bobby Langton, footballer; born Burscough, Lancashire 8 September 1918; died Burscough 13 January 1996.

Births, Marriages & Deaths

BIRTHS

SAMUEL: On 19 January, at University College Hospital, London, to Alison (nee Ingram) and Christopher, a son, Oliver John, a brother for Hattie and Alexandra.

DEATHS

KINGSFORD: On 20 January 1996, suddenly, Anthony Leithbridge (Tony) Kingsford, of Biltbrook, Mincing, aged 63 years. Funeral service to take place at Thurston Deane Crematorium on Tuesday 30 January at 2.30pm. Family flowers only but donations if desired for Dr Barnardo's may be sent c/o Thurston Funeral Service, Windsor Place, Whitehall, Thurston.

FRICHARD: Dr John, late of Merton College, Oxford, Trinity College Dublin and St James's Hospital, 22 January, at home, peacefully after a long illness borne with great dignity. Much-loved husband of Bernadette and dear father of Sarah, Ruth and David. Deeply regretted by his mother Constance, his loving sister Nerys, brothers-in-law, sisters-in-law, nephews, nieces, students, colleagues and friends. Funeral service at St Patrick's Cathedral, Dublin, on Wednesday 24 January at 1.30pm, and burial afterwards in Mount Venus Cemetery.

WILLIAMS: Dr Joyce Beverley Williams MBE, nee Jewson, on 22 January, suddenly but peacefully in hospital, aged 85. Widow of Dr Denis Williams, mother of Christopher, Joanna and Hilary. Former long-standing London magistrate. Private cremation. Memorial service to be announced.

Birthdays

Miss Nora Beloff, author, 77; Mr Ernest Borgnine, actor, 79; Lt Gen Sir Anthony Denison-Smith, GOC, 4th Division, 54; Mr Neil Diamond, singer and songwriter, 55; Mr Bamber Gascoigne, author and quizmaster, 61; Mrs Natasja Kinski, actress, 35; Mr Peter Laister, former company chairman, 67; Dr Desmond Morris, zoologist, 68; Sir Donald Murray, a former Lord Justice of Appeal, Supreme Court of Northern Ireland, 73; Dr Ian Oliver, Chief Constable, Grampian, 56; Miss Jane Somerville, consultant physician, 63; The Most Rev John Aloysius Ward, Roman Catholic Archbishop of Cardiff, 67; Air Commodore Sir Archie Winskill, former captain of the Queen's Flight, 79.

Anniversaries

Births: Hadrian, Roman emperor, 76; 1638: Sir John Vanbrugh, playwright, baptised 1664; William Congreve, playwright, 1670; Furinelli (Carlo Broschi), castrato singer, 1705; Pierre-Augustin Caron de Beaumarchais, playwright, 1732; Ernst Theodor Amadeus Hoffmann, author and composer, 1776; Edith Newbold (Jones) Wharton, novelist, 1862; Ann Todd, actress, 1909. Deaths: Caligula, Roman emperor, assassinated 41; Lord Randolph Churchill (Randolph Henry Spencer Churchill), politician, 1895; Amedeo Modigliani, painter and sculptor, 1920; Sir Winston Leonard Spencer Churchill, statesman, 1965; George Cukor, film director, 1983. On this day: Henry III, King of England, married Eleanor of Provence, 1236; John Horn was rounded by William Corneliszoon Schouten, 1616, gold was first discovered by James Marshall at Sutter's sawmill in California, 1848; the first train passed over the Forth Bridge, 1890; the first Concorpet Bill was passed by the House of Commons, 1916; the Central Statistical Office was founded, 1941; Mae West made her London stage debut in her own play, *Diamond Lil*, 1948; the 270,000-ton Olympic Bravery tanker ran aground off France, 1976. Today is the Feast Day of St Balthazar of Antioch, St Felician of Foligno, St Francis of Sales and St Macdonius the Barley-eater.

Lectures
National Gallery: Alexander Szigra, "Beyond Europe (iv) the Holy Land in art", 1pm.
Victoria and Albert Museum: Ronald Parkinson, "Constable", 2.30pm.
Tate Gallery: David Brittain, "Appearances", 1pm.
British Museum: Lesley Fitton, "Journey to the Labyrinth: the discovery of Minos Cretan", 1.15pm.
Greenwich College: Barbara's Lion Hall, London EC1; Professor Simon Lee, "From the Merchant of Venice to Baring's 400 years of regulating the futures market", 5.30pm.
Stade Centre for the History and Theory of Art, London WC1: Rudi Visker, "Dispossessed: how to remain silent after Levinas", 6pm.

Frank Civanovich

A celebration of the life and career of Frank Civanovich, the television and film director, will be held at St James's, Piccadilly, London W1, at 11am on Tuesday 20 February 1996.

Foundation for Science and Technology

Lord Butterworth was in the chair at a lecture and dinner discussion held

yesterday evening at the Royal Society, London SW1. Mr Ian Taylor MP, Minister for Science and Technology, attended. Sir Giles Shaw MP, Professor Peter S. Harper and Dr Helen Watt spoke. "Human Genetics, Ethics, Society and Legislation".

Inner Temple

The following have been elected Masters of the Bench of the Honourable Society of the Inner Temple: Mr Justice Langley, Judge Christopher Phipps, Mr Nigel Preece QC, Mr Oliver Sells QC, Miss Joanna Kerner QC, Mr Kenneth Arlidge, Mr Andrew Tiddley.

Wills

Sir Kingsley William Amis, of London NW1, the novelist and poet, left estate valued at £543,685 net.
Mr Gervase Frank Ashworth Jackson-Stops, of Horton, Northamptonshire, Architectural Adviser to the National Trust 1975-85, left estate valued at £257,943 net.
Mr Nigel Anthony Timmis, of Wolverhampton, West Midlands, left estate valued at £1,000,885 net. He died intestate.
Mrs Angela Mary Hobbes, of Stebbing, Essex, left estate valued at £10,537,919 net.

ROYAL ENGAGEMENTS

The Queen, Hereditary Air Commodore, visits RAF Marham, Norfolk. The Princess Royal, Colonel-in-Chief, Westmorland and Sherwood Foresters Regiment, visits the 1st Battalion prior to deployment to Bosnia, at Lockwood Barracks, Tidworth, Hampshire. Princess Margaret, Patron, visits London Light Opera, London W11, for the inauguration of its 10th Anniversary Year.

Changing of the Guard

The Household Cavalry Mounted Regiment, known as the Life Guard at Horse Guards, 11am; in Battalion Irish Guards march; the Queen's Guard, at Buckingham Palace, 11.30am, last provided by the Coldstream Guards.

Asylum seekers can only make one claim

LAW REPORT

24 January 1996

Regina v Secretary of State for the Home Department, ex parte Adomola Ombidi; Queen's Bench Division (Mr Justice Latham); 19 January 1996

Under the Asylum and Immigration Appeals Act 1993, an asylum seeker, while remaining in Britain, is permitted only one application for asylum to which any right of appeal attaches. Any material submitted by the asylum seeker after the dismissal of an appeal is submitted in support of the one claim and could not constitute a fresh claim with a fresh right of appeal. Such material would be considered by the Home Secretary in the exercise of discretion.

The applicant applied for judicial review of the Home Secretary's decision asking that the Home Secretary should consider the fresh application or refer the matter to the immigration appellate authorities to consider the fresh matters.

The Home Secretary argued that the Asylum and Immigration Appeals Act 1993 permitted only one application for asylum to which any rights of appeal could attach in respect of any single visit to this country, and that the decision that the November application was merely amplification of the original application was not irrational and was not fresh administrative action to which a right of appeal attached.

Nicholas Blake QC and Duran Seddon (Fisher Meredith) for the applicant; Neil Garland (Treasury Solicitor) for the Home Secretary.

Mr Justice Latham said that the Court of Appeal in *R v Immigration Appeal Tribunal, ex parte the Home Secretary* [1990] 1 WLR 1126 had rejected the argument there could only be one appeal on an asylum claim in relation to rights of appeal under the Immigration Act 1971. The applicant argued that the same reasoning should apply under the 1993 Act.

An application for leave to enter might be made on different grounds. The effect of the 1993 Act had been to provide a separate statutory scheme for applications based on a claim for asylum. The statutory scheme envisaged a claim for asylum which became a historical fact entitling the asylum seeker to exercise a right of appeal under section 8 against any relevant administrative decision or action.

Any further material submitted or applications made were submitted and made in support of the original claim, whether they were made before or after the Home Secretary had made his decision on the claim or before or after any appeal under section 8. If the ap-

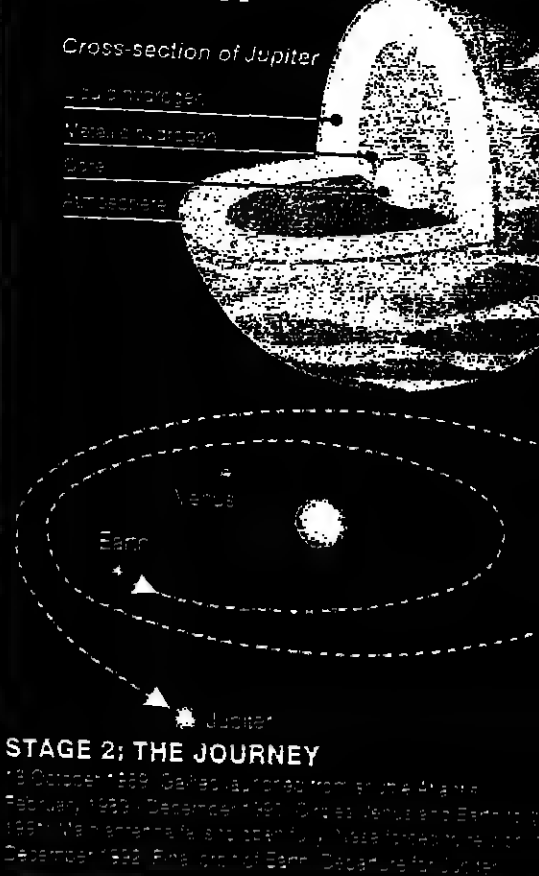
peal was dismissed, then the material or application would be considered by the Home Secretary in the exercise of his discretion to reconsider his decision, and if he considered it appropriate, to refer any matter arising out of those materials or applications to an adjudicator.

That construction provided a coherent scheme consistent with the statutory background. It avoided the necessity to consider a question which was fraught with difficulty, namely whether any subsequent application for asylum could properly be described as a "fresh claim". It had the merit of making sense of the proviso to section 8(3), which was necessary because each decision in the subsection was a separate decision which would otherwise carry separate rights of appeal.

If, after dismissal of an appeal, the Secretary of State adhered to his original decision on asylum and as to the appropriate administrative decision or action, whether or not he had considered any further representations, he did no more than give effect to that original decision or action. The application was dismissed.

Ying Hui Tan, Barrister

ROUNDABOUT ROUTE TO DISCOVERY



STAGE 1: THE PLAN

The Galileo probe's circuitous journey to the truth about Jupiter's atmosphere recalls previous troubled journeys to other truths about the Universe.

1878: Plans made to follow up the Voyager journeys to Mars with a mission to Jupiter. It was hoped Galileo could be launched in December 1989, but budget cuts soon made this date unrealistic.

1980: Hughes Aircraft wins contract to build the craft, Galileo's 484,000-mile journey from the Earth to Jupiter.

1984: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

1985: Shuttle Challenger explodes shortly after take-off, heightening fears about transporting Galileo's

STAGE 3: THE DESCENT

July 1995: Atmospheric probe with a carbonium ion cone-shaped heatshield launched towards Jupiter from orbiting main craft. It has 28kg of scientific instrumentation to measure Jovian atmosphere, including temperature, pressure, chemical composition and presence of lightning.

November 1995: Main craft's on-board tape recorder malfunctions, suggesting no data from probe may be recorded.

7 December 1995: Probe enters Jupiter's atmosphere at 106,000mph and slows to 250mph in four minutes. It transmits information via radio waves to the secondary antenna of main craft. Information relayed for 57 minutes until temperature and pressure destroy probe. Meanwhile, the main craft's engines fire to slow it into orbit around Jupiter. The tape recorder functions: signals from probe recorded and transmitted to Earth.

December 1995-January 1996: Public sector shut-down in US prevents analysis of data. After outlay of \$1.8bn to obtain them, NASA is forced to store the results to be read later.

22 January 1996: NASA announces analysis of data.

22 January 1996: NASA announces analysis of data.

22 January 1996: NASA announces analysis of data.

22 January 1996: NASA announces analysis of data.

22 January 1996: NASA announces analysis of data.

22 January 1996: NASA announces analysis of data.

22 January 1996: NASA announces analysis of data.

22 January 1996: NASA announces analysis of data.

It took six years, but the Galileo probe to Jupiter will make us rethink how the solar system was created, reports Tom Wilkie

Journey to the beginning of time

After a voyage of 2.3 billion miles, lasting six years and costing about \$1.6bn, the Galileo space mission to Jupiter has ushered in a new age of astronomy.

The results from Jupiter, just released by NASA, represent "a major contribution to our understanding of the development of the solar system," according to Dr Paul Murdin, head of astronomy for the Particle Physics and Astronomy Research Council. Astronomers are no longer passive, earth-bound observers of the planets and stars - the technology of spaceflight means they can now reach out and touch parts of the nearby universe.

Galileo's observations are not of arcane interest. Jupiter and the other "gas giant" planets such as Saturn and Uranus are important because they are so far from the Sun that gases in its atmosphere have not boiled off and so their composition should reflect the primordial stuff from which the solar system was made. They also have strong gravity, which holds the gas more tightly. In contrast, the inner rocky planets such as the Earth and Mars are much more differentiated. So in theory, at least, sending

a probe into Jupiter is the closest we can get to sending it into the very earliest moments in the life of the solar system.

Galileo found that Jupiter was quite different from the planet scientists had expected to find based on observations from telescopes on Earth and passing spacecraft such as the Voyager missions to Jupiter and the outer planets. The findings suggest that either Jupiter has developed more than we had expected and that it isn't a good guide to the way our planets were formed or that we must rethink the very origins of our solar system.

Hydrogen and helium are the most abundant elements in the universe, but astronomers believed the disc of dust and gas from which our solar system evolved must also have contained carbon and sulphur and other heavier elements forged in the hearts of stars and then ejected across the galaxy in supernova explosions. We are, quite literally, stardust. But Galileo's findings do not accord with a simple interpretation of this theory. It found that Jupiter's atmosphere is drier than NASA scientists had anticipated and it contained about half of the expected helium

concentrations. In addition, neon, carbon and sulphur were less abundant than predicted.

In addition, there are fewer lightning storms on Jupiter than there are on Earth, the probe discovered. This is consistent with the lack of water vapour, according to Professor Alec Boksenberg, former director of the Royal Greenwich Observa-

tory and now professor of experimental astronomy at Cambridge University. Lightning occurs when electric charges have been transported across the atmosphere. If there are not enough water droplets to act as the carriers of charge, lightning will be that much rarer.

Jupiter is a fearful place, according to the observations

sent back by the little probe which the Galileo mother ship dispatched on a suicide mission into the planet's atmosphere.

According to Dr Richard Young, the project scientist in charge of the mission at the NASA-Ames research centre: "The probe detected extremely strong winds and very intense turbulence during its descent

through Jupiter's thick atmosphere. The origin of Jupiter's winds appears to be an internal heat source which radiates energy up into the atmosphere from the planet's deep interior."

This is a stark difference from Earth, whose weather is driven by heat from the Sun warming the atmosphere. Jupiter is so far from the Sun that it gets little

solar heat, so the driving force for its weather is its gravitational energy and the heat from radioactive decay of elements deep within the planet.

The probe measured wind speeds of up to 330mph. The characteristic swirling patterns visible on Jupiter's surface appear to come, Dr Young said, from "a jet stream-like mechanism rather than swirling hurricane or tornado-like storms."

But European astronomers are less convinced that Galileo's findings mark a new era in our understanding of the universe.

They point out that NASA, increasingly hard pressed to defend its budgets, has an interest in promoting the significance of the findings. "They would have to be startling discoveries for NASA to get its money from the US government," one scientist remarked.

They also questioned whether the apparent anomalies in the composition of the planet's atmosphere would really require rethinking theories of how the solar system formed. One planetary scientist pointed out that water is abundant on Earth but absent from the Moon. All planets have evolved since the formation of the solar system according to their local circum-

stances and some gases might have been lost while others may have settled more deeply in the atmosphere of the gas giants. In other words, the probe may tell us a lot more about Jupiter's evolution but not that much about the solar system.

But there is no doubt that the probe marks a new departure in astronomical observation. Professor Boksenberg explained: "For the first time one's getting real information rather than conjecture about Jupiter."

His analysis was endorsed by Dr Murdin: "For millennia astronomers have had to put up with being passive observers. They had to sit on Earth and detect radiation by building bigger and bigger telescopes."

"What's starting to emerge now is going and getting bits of the nearby universe," Dr Murdin said. "We've been to the Moon and brought some bits back to Earth. Landers have been to Mars and brought stuff back into the vehicle for analysis. For the future, the European Space Agency is looking at the Rosetta mission, landing on a comet and digging around on it. I would view Galileo in that developing story. We now have real data on how the atmosphere is, not just a spectrum of the cloud tops."

From Ptolemy to the Jupiter probe: the advance of astronomy

2nd century AD Ptolemy's Almagest was the definitive treatise on astronomy until Copernicus in the 15th century. Ptolemy's theory proposed the Earth as the centre of the universe, around which all other planets, stars and the Sun revolved. He only had his eyes, Euclidean geometry and maths to work with.

1610 Invention of the telescope allowed magnification 30 times greater than human eyesight. Galileo (1564-1642) is thus able to observe Jupiter's moons and prove the heliocentric (Sun-centred) theory of the universe.

1877 As telescope technology improves, further observations are possible, and Giovanni Schiaparelli (1835-1910, right), details observations of Mars. He thinks he sees linear markings organised into a network of irrigation canals, supposedly dug by intelligent beings.

Perceval Lowell (1855-1916) takes up the Schiaparelli theory, and builds the Lowell Observatory at Flagstaff, Arizona, to study Mars. Although his ideas meet with great opposition by the time of his death, he is still taken seriously in some quarters.

With the development of photography, pictures taken after Lowell's death fail to depict the canals. The advent of space travel also puts paid to many ideas formed by passive observation from Earth, and in the Mariner flights of the 1960s, Mariner 9 conclusively proves he was wrong.

1948 The astronomers Fred Hoyle, Hermann Bondi and Tommy Gold, reconciling observations on the evolution of the universe with theories of relativity, advance the steady state theory. This proposes that the universe has existed for ever, and that new material is constantly being created as it expands.

1965 The invention of a specially sensitive amplifier for Bell Telephone Laboratories allows Arno Penzias and Robert Wilson (right)

accidentally to discover cosmic microwave background radiation: essentially an echo of the "Big Bang", which began the universe 15 billion years ago. The Big Bang theory refutes the steady state theory that the universe has always existed.

1966 The Hubble Space Telescope revolutionises our understanding of the universe. The photos sent back by the telescope show clusters of stars that form a nucleus around areas of gravitational instability, or black holes. The photos may challenge earlier astronomical views about the evolution and the formation of galaxies.

Titanic Darko



Mme M, spare that pooch

The French are a tolerant lot in their own way. As we are continually told, they will tolerate any scandals in the private lives of their leaders. But there are limits.

Condemnation has greeted the news that late president Mitterrand's widow, Danielle,



Baltique et François...

has farmed out his faithful black Labrador, Baltique, to one of his former bodyguards and that the poor bitch could spend the rest of her days at a barracks near Versailles. Baltique endeared herself to the French public when, in accordance with her master's last wishes, she walked alongside

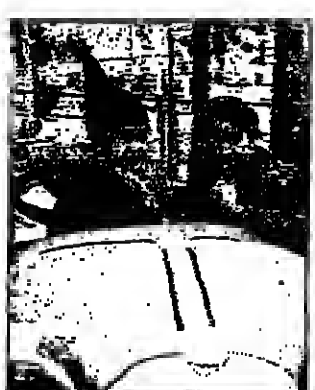
the hearse taking his coffin on its last journey from the country church to the cemetery.

Danielle is reported as saying that she already has a Labrador of her own and can't accommodate another when she is in Paris (but everyone knows she has a good-sized house, quite big enough for a pack of Labradors). She has promised to collect Baltique from the barracks whenever she goes down to the family's country house in the south west. *Sacrebleu!* Either you have a dog or you don't. You can't just collect one when you leave town. The damage to Mme Mitterrand's image looks irreversible.

Say it, Tony

Who do we find writing a full-page schooling manifesto in the current issue of the *Times Educational Supplement*, printed just before the Harriet Harman row broke? None other than Tony Blair.

Here is a snippet: "There is much that is good in our system. But unfortunately it has too often been restricted to an elite few. A return to a system dominated by selection at 11 would make matters worse. We need reform that looks forward rather than back."



What would Enid have said? Noddy lost

It was enough to make the Famous Five turn to fisticuffs - watching Enid Blyton's dignified daughter, Gillian Baverstock, fall into the undignified clutches of the Freud PR agency yesterday.

A pained looking Mrs Baverstock was promoting the sale of the copyrights of her mother's works to Trocadero plc, owner of the London Trocadero, and to this end was shuffled unceremoniously in and out of a diminutive Noddy car and tweaked from one journalist to the next. And not even in a private room. She had to give her interviews in the general thoroughfare, as the public squeezed past her, rushing to the un-Blyton like hi-tech delights of the Emaginator, Virtual World and Alien War, while a small Noddy roamed forlornly around the mall in a blue hat and red nose, looking as bewildered as his creator's daughter.

Hosepipe ban, literally

Giving birth is now a non-essential activity. And in the summer months it's downright diletante.

My spies in the maternity ward at Harrogate General Hospital tell me a vicarious post-natal row is about to break in the peaceful spa over the belated discovery that it took Yorkshire Water's summer hosepipe ban to heart and closed its waterbirth facility.

One new papa tells me: "My wife had made it clear throughout her pregnancy that she wanted a waterbirth and had been assured by the hospital that it would be possible. But when we telephoned the ward to tell them we were about to set off, we were told that the birthing pool was not being used because of the hosepipe ban - specifically because a hosepipe is used to fill the pool."

The Harrogate General Hospital's head of midwifery services, Lesley Harris, says in response that the pool was closed "as a community-spirited gesture." Yorkshire Water is flummoxed. "The ban was on hosepipes for washing cars and watering private gardens," said a spokesman yesterday. "A birthing pool would be excluded from a more general non-essential use ban because it would be regarded as being

part of a medical process." Except, it seems, by those who run hospitals.



Wanamaker: not betting

Zoë's odds

I expected to find that the wonderful actress Zoë Wanamaker exuding bonhomie at the Olivier awards nominees' lunch yesterday. Her cup runneth over, having been nominated for an Olivier Award as Best Actress for *The Glass Menagerie*, and she is also the trustee for her late father Sam's brainchild, the Globe Theatre, which looks like opening next June, thanks to £12.4m of lottery money.

That may be, she told me, "but I think the National Lottery is the biggest con ever. It's trying to cover up the lack of arts funding. And I never play it." All that Tennessee Williams intensity seems to be going to her head.

Eagle Eye



NOW WE'LL REDUCE YOUR COMBINED BUILDINGS AND HOME CONTENTS INSURANCE BY 15%.

To measure just how much our increased discount will save you, call us now.

GA General Accident Direct

FOR BUILDINGS & CONTENTS INSURANCE*

FREEPHONE 0800 121 004

PAY BY INSTALMENTS INTEREST FREE*

MOTOR* 0800 121 000

REDUNDANCY & SICKNESS 0800 121 008 • TRAVEL 0800 121 007

Weekdays 8am - 8pm, Sat 9am - 2pm. **24**

*Written details on request. General Accident Direct, FREEPOST, Hamilton ML3 1BR.

THE INDEPENDENT

FOUNDED 1886

ONE CANADA SQUARE CANARY WHARF LONDON E14 5DL
TELEPHONE 0171-293 2000/0171-345 2000 FAX 0171-293 2435/0171-345 2435

EDITOR: Charles Wilson

ASSISTANT EDITOR: Charles Leadbeater MANAGING EDITOR: Colin Hughes
SECTION TWO EDITOR: Simon Kelner SATURDAY EDITOR: David Robson
EXECUTIVE NEWS EDITOR: Michael Williams NIGHT EDITOR: Richard Hollidge

NEWSPAPER PUBLISHING PLC. BOARD OF DIRECTORS:

Liam Neill (Chairman) Lord Borrie Ben Bradlee Juan Luis Cebrian Brendan Hopkins
David Montgomery Javier Díez de Polanco Cornel Riklin Andreas Whitlam Smith
ADVERTISING DIRECTOR: Jeremy Reed

Why Blair must stand by Harman

Harriet Harman must resign. Tony Blair should back her to the hilt. If he fails to do so the old guard of his party will pick up the message all too quickly. "Rough me up a bit and I will cave in." That message will be relayed to an anxious electorate and they will ask: if the old guard can force him to retreat on this issue, then what other promises to the aspirant middle classes will he backtrack on? In short, Blair has much to lose on this apparently trifling issue of the future of one 11-year-old boy.

It is not just a matter of presentation. There are difficult and troubling issues at stake. The first is parental choice. It should play a central role in secondary education. As a nation we must want parents to desire and seek the best for their children. To do that we must allow them to search for the school most suited to each child.

The kind of antagonism unleashed against Harriet Harman's decision casts doubts on Labour's commitment to choice. For all her middle-class primness - she seems at times like a Labour version of Virginia Bottomley - she nevertheless has an unerring habit of slipping out of the political world and behaving like an ordinary person. And up and down the country parents of all classes are doing exactly what she is doing. Labour would be woefully misguided to side against them.

On the contrary, Labour should be advocating greater diversity within the state sector, with more specialisation within schools allowing them to focus on music, the arts, science or sport. And there should be forms of streaming and setting within comprehensives.

Yet if there is to be choice, then schools that acquire a good reputation will be oversubscribed. The long-term solution to that is to allow good schools - possibly through involving private finance - to grow to accommodate this demand, and to work on improving the quality of all schools, especially the worst. With proper funding and good management even sink schools can be turned around. But in the short term where demand outstrips supply, there must be rationing - and that raises the question of selection.

The 11-plus examination had a disastrous impact on Britain. It condemned millions of children to a second-class education, second-class life chances and second-class jobs. There must be no return to such a divisive system. The aim of British education - as it is in Germany and Japan - should be to raise the standards of all our children's education, not just the top 5 per cent.

That means entry selection for schools should be used as a tool to deal with oversubscription. There should be alternatives to selection on academic grounds and examination results: random selection, interviews, work projects completed at junior school, selection based on geography. None of these is satisfactory, as any parent will testify.

The political point is clear, though. The left has held back from attacking Mr Blair directly; a full frontal assault would not succeed and would be too damaging. So it is attacking Harriet Harman as a proxy for the Labour leader himself.

If he loses his nerve and backs down, the middle-class voters he has been courting so assiduously will feel badly let down and may never fully trust him again.

Major should take Mitchell's way out

John Major is being offered a way to break nearly a year's political deadlock in Northern Ireland. He has a plan on his desk that should persuade the Government to set aside its unrealistic demand that the IRA should give up its weapons before constitutional talks can begin. It sets out in detail how to persuade Sinn Féin to make a genuine and irrevocable commitment to ensuring that the days of violence are over for ever.

The plan drawn up by the former US senator, George Mitchell, and his international commission is published today. The Prime Minister should seize upon it. Senator Mitchell has not gone soft on Sinn Féin. His plan requires Gerry Adams to go further than ever before in accepting the democratic process in Northern Ireland. If Sinn Féin were to join talks, the party would have to promise to be bound by any democratically agreed settlement, even if it imposed aspects of the deal.

This would be a considerable concession for the republicans, for it would require them implicitly to acknowledge that their historic goal of a united Ireland would have to be sacrificed. And Mr Mitchell has not set aside altogether the ambition to disarm the paramilitaries. He proposes it should be staged. Decommissioning of arms would be expected to take place in parallel with all-party talks, as a way of building confidence.

Mr Mitchell is also expected to make concessions to the Unionist side, favouring their suggestion that an elected assembly should be convened to discuss constitutional reform. Nationalists on both

sides of the Irish border will not like this concession.

Nevertheless, John Major will have to swallow some of his pride, if he is to accept the Mitchell report. Not to accept it would risk derailing the peace process completely. He will have to set aside the repeated demand that the IRA must give in at least some weapons before all-party talks can begin.

This was always an ill-judged demand. In Ireland there is no precedent of rebels handing in guns before talks. The Government's own security forces have made plain their view that the IRA would never agree to the demand. It is almost impossible to find a single conflict around the world where surrender of weapons preceded negotiations.

Yet ministers have stuck doggedly to this precondition for nearly a year. Their insistence led to an Anglo-Irish summit being cancelled in the autumn and nearly blighted President Clinton's visit in November.

It has been difficult to understand the Government's determination. Even the Ulster Unionists have wavered on the issue, indicating that the arms question could be fudged, provided an assembly was elected for constitutional talks.

Now there is a way out, providing Sinn Féin and others are prepared to make similarly difficult concessions. Today, Mr Major should give the Mitchell plan his backing. He would call Sinn Féin's bluff: it would then be up to Gerry Adams to prove that he really believes in peace and democracy.

Labour simply loves to be embarrassed

Today: All you need to know about the Labour Party.

Why is there all this fuss about Harriet Harman and her child's education?

Well, the Tories are going on about it as if she had hired Tiggy Legge-Bourke in person to educate the child.

Oh dear, you aren't used to politics, are you? This fuss about Harriet Harman isn't a fuss at all.

Isn't it?

No.

What is it, then?

It's a dirty trick.

A Tory dirty trick?

No, it's a Labour dirty trick.

Labour engineered all this on purpose?

Oh, yes. You see, the Labour Party is very keen to win the next election.

However, the Labour high command know that there are various pitfalls they have to get through before election time. No matter how careful Labour is, they always end up with egg on their faces because someone senior in Labour has gone private in hospital or gone private in education, or because the unions have engineered a strike at the wrong time, and this makes Labour look as if they are hypocrites. The worst possible time to do this is just before the election. So



MILES KINGSTON

this time Labour have decided to get their pratfalls over long before the election, and have them nicely out of the way, and long forgotten.

So Harriet Harman was instructed to do this by Labour policy planners?

Indubitably.

So it's not hypocrisy?

Not in political terms, no.

Is there such a thing as hypocrisy in politics?

Yes.

Can you give me an example?

Yes. For the past 15 years the Tory party has been proclaiming itself to be the party of law and order. During that time serious crime has rocketed up and convictions have not kept pace. Therefore it is now easier to get away with crime than it has ever been. Yet the Tory party claims to be the party of law and order. It does not take a genius to spot an element of hypocrisy here.

So you think that the breakdown of

the British criminal justice system, as permitted to happen by the Tories, is more serious than Harriet Harman's choice of school?

I do, yes. I do not think the British public does.

Could you explain that?

Certainly. There is something every politician knows, but never acknowledges, and that is that the British people are two different animals. There is the public, and there is the electorate.

The electorate is a wise animal which exercises its democratic rights, considers the issues, joins in national debates, and so on. The public is a yobish gang which reads the Sun, throws wrappers in the streets, buys tickets for lotteries which it can't win and votes for the Tories at the last election.

Unfortunately, the wise voters and the yobish public are the same people.

The electorate knows, for instance, that it is crazy to build more roads and sell more cars. The public wants nothing better than to jump in its second car and drive 100 yards to the shops. But they are the same people. That is why politicians sometimes take us seriously, and explain ideas to us, and why sometimes they rant and rave. It depends whether they are addressing the public or the voters.

How do the two animals feel about Harriet Harman?

The electorate knows that Harriet Harman has done nothing wrong. The public thinks she has made an idiot of herself.

Will she resign?

No. The Labour Party needs people like her.

Young blood, you mean?

No. People with symmetrical initials. Research has shown that people trust figures with the same initials on both names. That's why the Labour Party gives such prominence to Mo Mowlam, Harriet Harman, Donald Dewar and so on. There's nobody like that in the Tories that I can think of.

Or anywhere else, come to that!

On the contrary. Showbiz is full of them. Arthur Askey, Billy Bennett, Charlie Chester, Donald Duck, Edward Enfield, Frank Finlay ...

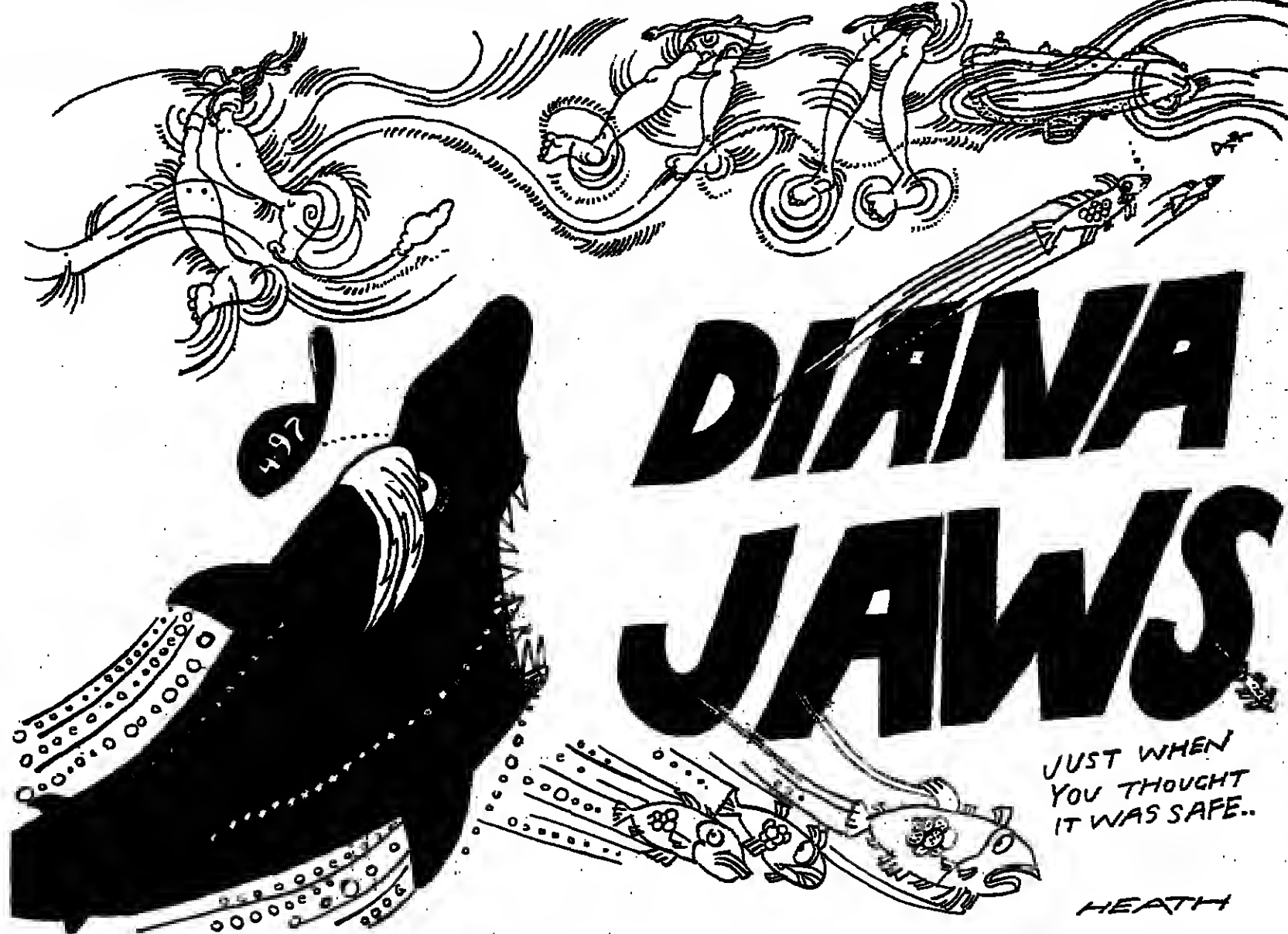
Yes, yes, I get the point.

Time for one more question.

Tell me one thing. If Harriet Harman lets the side down by sending a child to grammar school, would a Tory MP get into similar trouble if he or she sent their child to a comprehensive school?

No. The Tories can get away with far more than Labour because they can always claim they are exercising choice.

• Thought for the day: Peter Mandelson's initials are PM.



LETTERS TO THE EDITOR

Chablis socialists who are forced to choose between head and heart

From Mr Paddy Heazell

Sir: Your correspondent Andrea Coleman (letter, 23 January) reacts too sharply. Harriet Harman is far from being the first socialist parent to have faced having to choose between being ruled by head or heart.

As head of The Hall, an independent (fee-paying) school in the unfashionable end of Hampstead, in London, I regularly educated the sons and grandsons of Labour (and Liberal) politicians. They all, presumably, took the view that whatever the political and philosophical arguments, their sons were too precious to be sacrificed on any altar of correctness.

Branded on one occasion as the "Chablis socialists", their ranks included such past great luminaries of the Labour Party as Professors Laski and G.D.H. Cole. Mrs Coleman really has no cause to feel so betrayed.

Surely, responsible parents must aim to provide the very best for their children, as they see it and as circumstances dictate. A better educated nation may happen, one day, but even if Joseph Drmore really could be instrumental in creating it, should his parents be required to risk waiting that long?

Yours faithfully,
PADDY HEAZELL
Saxmundham, Suffolk
23 January

From Mr William Higgins

Sir: You may be right to say (leading article, 23 January) that

politician-parents are entitled to renege on their publicly expressed views to avoid disadvantaging their children. But please don't expect those who passed the 11-plus in the late Sixties only to find that the grammar schools they succeeded in getting into were subsequently shamelessly converted into comprehensives, to feel warm and forgiving about it.

Unlike Mr Blair and Ms Harman (Fettes College and St Paul's, respectively), a grammar school was our best hope; and Harold Wilson's Labour government took that back from us.

Notwithstanding your approval, voters will react negatively to any politician who gives at least tacit support to a principle, but who contravenes it the moment its observance becomes inconvenient.

Yours faithfully,
WILLIAM HIGGINS
Caterham, Surrey
22 January

From Mr Hugh Sheppard

Sir: Harriet Harman has nothing to apologise to her own party for, let alone the Conservatives. She is fully entitled to seek the best for her son under a system for which her party has no responsibility. That does not mean she agrees with it, nor that she wants something for herself she would deny to others.

In the same way, I wish that instead of a cut in income tax, the Government would spend more

on social objectives. That doesn't mean I am going to offer to pay extra tax - just that I would be prepared to when the government changes.

Yours faithfully,
HUGH SHEPPARD
Odiham, Hampshire
22 January

From Mr D. Richards

Sir: The crucial argument that you fail to consider in your leading article ("Harman gets her priorities right", 22 January) is why Harriet Harman chose a Roman Catholic comprehensive for Harry, her first child. Choice on religious grounds is generally accepted and, thankfully and honourably, virtually all church schools, both Anglican and Roman Catholic, have chosen to be comprehensive.

What does her choice for her second child say about church schools in general and London Oratory in particular? Is Harry more in need of a Catholic ethos than Joe? If it was crucial for one, why not the other?

Yours sincerely,
D. RICHARDS
Headteacher
St Aidan's Church of England High School
Harrigate
North Yorkshire
22 January

From Mr John Crawley

Sir: I found your editorial on Harriet Harman pretty hard to swallow. Your argument that

"each parent has a duty to do the best for their own child" is typical of the worst middle-class consumerist view of education. What about the society that her son is growing up in, perpetuated by this kind of schooling? On the logic of your argument, Ms Harman is a hypocrite for not sending her children to Eton because, if it is solely about getting ahead in the rat race and "purchasing" future access to a university, then, statistically, that's an even better bet for her child.

Grammar schools such as St Olave's are all about concern for the "bright" 10 per cent and let the rest go hang. The problem with our society is that there are many forms of intelligence we should value and nourish, but we choose to define and value just one, academic form, and heap the resources on that already privileged minority.

Yours etc,
JOHN CRAWLEY
Lichfield, Staffordshire
22 January

From Mr Tom Morton

Sir: The opprobrium with which Harriet Harman has met following her decision to send her son to a grammar school is deeply regrettable but not entirely surprising.

As a Labour-supporting, former grammar school boy, I fully endorse Ms Harman's actions. Grammar schools enshrine the finest virtues of British social democracy, offering educational

opportunities to children on purely academic merit: it is astonishing that Labour does not defend them as such - for they have furnished the Labour Party with generations of voters, members and, indeed, Parliamentarians.

Until the party takes the class struggle out of the classroom, Ms Harman and ambitious parents nationwide will remain stuck uneasily between Tory education cuts and snide socialist rhetoric.

Yours faithfully,
TOM MORTON
London, W12
23 January

From Ms Isobel Shepherdson

Sir: It seems that Harriet Harman's decision about the school her son is to attend might well damage the new Labour Party's election prospects and who knows what else besides?

The saddest thing of all is that it may well be a bad decision for her son. There is plenty of evidence that bright pupils do as well in comprehensive schools as they do in selective schools. They gain so much, in addition, in social competences, that selective schools begin to look somewhat deprived and limited environments for bright, independent-minded boys, or girls, to spend formative years.

Yours faithfully,
ISOBEL SHEPHERDSON
York
22 January

Jammed up by company cars

From Mr Nicholas Faith

Sir: I find the newfangled concern expressed by all our political parties to find a transport policy not overly biased towards the motorcar more than slightly hypocritical. Indeed, I will not begin to take them seriously until they adopt a firm policy of removing tax relief entirely from company cars - and from the parking spaces enjoyed by senior executives in so many office blocks. Such a policy would

not only discourage the use of cars for commuting (the prime cause of traffic jams in our major cities); it would also provide the Treasury with more than £1bn in additional revenue. Unfortunately, the present government's mania for privatisation means that the money could not be applied to helping our ramshackle urban railway systems, because it would simply end up in the pockets of private shareholders.

Yours sincerely,
NICHOLAS FAITH
London, N7
22 January

Keeping the young away from crime

From Mr Roger Statham

Sir: Your report about the link between unemployment and crime ("Lack of jobs ties men to 'cycle' of youth crime", 19 January) has been greeted by knowing nods in the probation service. This Home Office research has replicated the findings of research commissioned by the Association of Chief Officers of Probation and carried out by Lancaster University in 1995. The findings are also echoed in the day-to-day experiences of every probation officer in the country.

The Probation Service is serious about tackling crime, but there is concern about the growing alienation of young men. Unemployment is leaving a vacuum in their lives which is filled with drug taking and crime in so many cases.

Prevention is clearly better than cure. So why not start with a safety net of modern apprenticeships for all our school leavers?

Yours sincerely,
ROGER STATHAM
Chief Probation Officer
Cleveland Probation Service
Middlesbrough, Cleveland
22 January

The writer is Social Policy and Employment spokesman of the Association of Chief Officers of Probation.

Monkey business

From Mr Johannes Van Dam

Sir: To answer Tim Nott's query concerning a name for the @ ("So what do you call the @ thing?", 22 January), some here call the @ "apenstaart", which is Dutch for monkey's tail.

Yours truly,
JOHANNES VAN DAM
Amsterdam
22 January

Football and cafés outside St Paul's

From Mrs Clare Stevens

Sir: Thank you for reopening the debate on the future of Paternoster Square. As the parent of a St Paul's Cathedral chorister, I can tell you that my son and a lot of his friends have expressed the desire for an Astroturf football pitch on the site.

A mixed development of offices, residential apartments, shops and restaurants would be an ideal solution to the problem of Paternoster Square, particularly if the shops and restaurants were open at weekends and on summer evenings. There are few experiences more depressing than trying to occupy a small boy between the hours of 4.30pm and 7.30pm on a cold, possibly wet Sunday in the City.

Yours faithfully,
CLARE STEVENS
London, SE22
23 January

Paradise found

From Mr Stephen Howarth

Sir: If Norway gives us Hell, as Bernard Sharp points out (letter, 22 January), travel west instead. There is a famous Mystic in Connecticut; Indiana provides Harmony and Arkansas, Hope. Concord is to be found in Massachusetts, Eden in Idaho and, in Missouri, Arcadia. But we need not go so far for Heaven: that is a farm in East Sussex, close to the Bluebell Railway. I've passed it many times, but never yet knocked on the door.

Yours sincerely,
STEPHEN HOWARTH
Shelton, Nottinghamshire
22 January

Post letters to Letters to the Editor, and include a daytime telephone number. (Fax: 0171-293 2056; e-mail: letters@independent.co.uk) Letters may be edited for length and clarity.

On the road since 1215

From Mr Dominic Reid

Sir: With reference to your article "City pageant to revive historic Thames" (18 January), I should perhaps point out that it is the River procession that dates back to 1422: the Lord Mayor had already been travelling to Westminster annually since 1215. By the time the first River procession took place in 1422, the Lord Mayor's Show was already 207 years old.

Yours faithfully,
DOMINIC REID
Pageantmaster
Lord Mayor's Show
Hertford
22 January

Jury avoidance

From Mr Anthony Scrivener, QC

Sir: The problem for the Serious Fraud Office in the Maxwell case was that the jury did understand the evidence and the fact that a jury returns a correct verdict is hardly a reason for doing away with juries. The only sure way of getting convictions is to let the SFO decide the result.

Yours faithfully,
ANTHONY SCRIVENER
2-3 Gray's Inn Square
London, WC1
22 January

Altered states

From Mr Norman Murray

Sir: In his letter (20 January), Aivars Sinka declares that the Chechens "are as fully deserving as the English of their own state".

Many of us in this part of the world, and in Wales, would agree that the English fully deserve nationhood, and earnestly hope they soon achieve it.

Yours faithfully,
NORMAN MURRAY
Edinburgh
20 January

Now we can see how old age looks

A report out yesterday confirms that a radical overhaul of pensions and savings is round the corner

Quite suddenly, we can glimpse in broad outline how our pensions will probably be organised for the next 50 years or more. For we seem to be in the early stages of a social and economic revolution as important as the rise of home ownership since the Second World War. We may even be starting to catch a feel for the way the developed world as a whole will cope with supporting its ageing population – how it will defuse the pensions time-bomb.

That is the real significance of a new report, *Pensions: 2000 and Beyond*, from a committee set up by the National Association of Pension Funds, published last night. The problem can be described in three sentences. State pensions almost always rely on the present generation of workers paying for the preceding generation: those paying National Insurance today are not saving for their own future but financing the pensions of their parent's generation.

With a relatively young population and a high proportion of people of working age, there are enough contributions to make it work, but as fewer and fewer people of working age have to support more and more pensioners, the money doesn't go round. Either taxes on the workers will have to be raised, or raised – and we already know how voters respond to that – or pensions will have to be reduced to unacceptably low levels.

Now to the solution that seems to be emerging in this country. It is that we will move to some kind of government-

backed "funded" pension scheme, so that people are encouraged, maybe forced, to save for their own pension, as well as contributing to the state one for current pensioners. We know this is the likely basis for a solution, partly because very similar ideas are being generated from different parts of the political spectrum, and partly because it is hard to see any other way out.

Why now? The sensible Labour MP Frank Field, has been advocating a funded scheme for some time, and Tony Blair, in his interesting Singapore speech, praised that country's compulsory savings scheme, where up to 40 per cent of people's salary is deducted and put into a savings account for their old age. We do not yet know what Labour policy might be, but we do know that such a scheme is being considered seriously.

Added to that, we have yesterday's report, which puts flesh on the bones of such a scheme, and shows how it could be dovetailed into a modified basic state pension scheme. We do not yet know what the Government thinks about this, but philosophically it would fit in well with its presumption that, as far as possible, people should be encouraged to save for their own retirement.

The recommendations of this report fall into two parts: what the state will itself do; and what it will force working people to do.

This country has managed to devise a state pension scheme that will not go bust about 2020 under the pressure of



HAMISH McRAE

Demography dictates that we have to put more resources aside

waves of retirees. Every other major developed nation has enormous unfunded liabilities: promises to pay pensions that the country cannot conceivably afford. The record in Europe is Luxembourg, where these liabilities amount to nearly two and a half times its GDP, with the Netherlands not far behind.

But Britain has achieved financial sanity at the price of parsimony. Our state pensions are pegged to prices, not earnings, so our pensions, small as they are now, will be tiny in relation to earnings in 20 or more years' time. It is hard to see that being acceptable in a decent society.

So the first part of the pensions report looks at ways in which state pensions might be targeted at those most in need, with the oldest getting

more than the just-retired, and those with income from savings or other pensions arrangements receiving less than those without.

The more you can get people to save, the less of a burden there will be on this chunk of the pension. And that is where the second and more controversial element comes in. This is the compulsory savings plan, the new National Pension Scheme.

Those of us in work would be forced to save some proportion of our income, within top and bottom limits; that money would be put aside and invested on our behalf, and those investments would be used on retirement to buy an annuity that would pay the pension. So the size of our pension would depend directly on the amount we had saved. We would still get some small state pension, but the vast bulk would come from our own savings. This scheme would take over from the present state top-up pension scheme, Serps.

While you have to save, you don't have to save in the national scheme, and this report assumes that most people will not do so, preferring to take out a private pension scheme, if they don't have one already. But some kind of savings scheme would be compulsory. From that there would be no escape.

This is an idea whose time has come. I believe this for three main reasons. First, demography dictates that we have to put more resources aside for pensions. The choice is really between higher taxation now to build up a surplus in a proper social security fund, or

some form of compulsory savings. I do not think that we trust governments sufficiently to give them more of our money. They cannot even balance their national budgets, so how on earth can they be trusted with the large surpluses such a fund would generate? So it has to be compulsory savings, supported by government but distanced from it and managed in a way that inspires trust.

Second, this idea fits in with the global trend for governments to do less themselves but be responsible for more. They no longer attempt to run airlines or telephone companies (let alone motor manufacturers), but they do increasingly regulate these activities. Paradoxically, they find it easier to police something they do not own than manage something they do.

And third, this idea fits in with the mood towards self-reliance that is evident in societies as diverse as Sweden or the United States: if people can do things for themselves, they should do so, while the state should direct its efforts at helping those who for whatever reason, are unable to do so.

Britain is interesting in a world context. We have a relatively old population, but we are not now ageing as fast as most other developed nations. We also already have a large private-sector funded pensions system. So our pensions problem is more manageable than just about anywhere else. We will be watched carefully for what we do next. If we head in the direction of compulsory savings for retirement, expect others to follow.

As wholesome as drinking water

There's nothing very shocking about the idea of giving children alcohol, says Reay Tannahill

"Brewers recommend lots for tots..." "Teach five-year-olds to drink, says alcohol group". "Let children of nine try alcohol, say the brewers."

The headline writers, as always, had a field day in the matter of the Portman Group's suggestion that British children be introduced gradually to watered wine and the occasional sip of beer.

And yet, once upon a time, most of the Western world – children included – potted amiably through life in a state of permanent intoxication. Until tea, coffee and chocolate were introduced in the 17th century, the only widely available options were water, milk, ale and wine. Water, within range of human habitation, was, if not actually poisonous, not far from it. Most milk in towns came from diseased cows, and what was brought in from the countryside was curdled by the time it reached the customer. But fermented drinks were relatively safe – ale for the common people, wine for the well-off.

This applied equally to children, who throughout most of history have been regarded simply as undersized adults. Even the newest of new babies was fed a mixture of butter, honey and sugar wine for the day or two until its mother's milk began to come through. It was weaned on alcohol, too, on a "papp" made from flour or bread cooked in water and topped up with beer or wine.

As late as the 1830s it was perfectly normal for an ailing infant to be given "steel wine" as a tonic – iron filings soaked in sherry for a month – while nursemaids were notorious for feeding their charges with sugar, water and gin to allow them (charges and nurses) to get some sleep.

It is, in fact, only in the last hundred years that drink for children has been taboo. In the second half of the 19th century, tea became affordable for everyone, the railways began bringing relatively fresh milk into the towns and water quality also improved. Around the same time the women's movement and the temperance movement were making their presence felt. Beer (hopped ale) stopped being an accompaniment to food and, for men, the pub became a drinking den, a refuge not only from the miseries of industrial labour but from high-Victorian morality. A place where they went to get drunk.

And that, of course, is the problem with the Portman

Group's idea of introducing children gradually to alcohol. The key to sensible drinking is to drink with food, to regard it as part of the meal. In France, Italy, Greece and Spain, wines are seen as pleasurable partners to a great variety of foods and it is natural for children to learn about wine as they learn about food.

Beer is different. Especially in its milder form of small ale, it once partnered meals of bread and cheese or meat well enough. But in relation to the lighter and more varied diet of today, it is too strong-tasting and too filling. The concept in most northern countries of

The key to sensible drinking is to drink with food, to regard it as part of a meal

drinking for the purpose of getting drunk persists.

A couple of years ago an international study of 40 countries suggested that all beer-drinking nations had a bravado culture, where drinking lots of beer and getting into a fight were part of normal recreational patterns. Beer-drinking countries such as Germany, the Netherlands, Britain, Canada and Australia were at one end of the violence scale and wine-drinking countries at the other. The study put the difference down to the fact that beer was usually drunk alone, without food to modify the effects.

To attempt to transplant the Mediterranean cultural pattern to the beer-drinking sections of society seems unlikely to work. Certainly if France is anything to go by (with its well behaved children in restaurants), the increasingly numerous wine drinkers in this country would be well advised to introduce their children to watered wine, but the suggestion of introducing them to beer by way of the occasional sip begs the question. Beer drinking doesn't work that way when the lager lout is on the warpath.

A spokesman for Alcohol Concern made the most telling point in the course of his stern response to the whole idea: when he said that "before we can educate our children, we have to educate their parents".

The writer is a food historian.

Tony, Gordon and no Joy

Labour lost its omniscient campaigns director this week, prey to a split at the heart of the party

Joy Johnson used to be the most famous voice in the press crowd. Outside No 10 in all weathers it was her piercing Northern shriek that often caught the politicians off their guard. "When are you going to resign?" was a favourite – anything to get a flammable reaction. In his book, Sir Bernard Ingham called her the "shouter". John Major once asked uneasily, "Who is that woman who makes me feel like a criminal every time I enter Downing Street?" She once always-fooled Neil Kinnock with an adroit doorstep after an angry NEC meeting. "Are you happy?" she bellowed at Kenneth Baker, eliciting tell-tale anger as he emerged from Number 10 after being



POLLY TOYNEE

demoted. Johnson was the BBC's political news editor, conducting the daily news operation out of Westminster, feeding the many bulletins' limitless appetite for soundbites – 20 seconds and not a nano-second more. It's a tough skill in a tough scrum, and she was the best.

That is why the Labour Party hired her a year ago. And why it has come as a shock to those of us who worked with her in the newsroom to hear of her acrimonious departure from Walworth Road on Monday. I tried to find out what went wrong.

As Labour's Campaigns Director Johnson was responsible for media strategy, for campaigns in the 80 target seats, and for what are called "rebuttals". "But I was always better at attack than defence," she says, recalling sallies such as the Chicken Run, teasing Tory MPs fleeing losing seats to find better ones. "You can't put a good spin on a bad story," she has always said, but then she has been shocked to find some journalists surprisingly easy to spin: "I'm against the lobby system, which just spoon-feeds journalists. Some journalists are not at all rigorous. Some are lazy, some are too keen to keep in close to power."

So why has she been ousted from her job in the run-up to

the election, which she admits she will miss painfully? The inside word was that she was part of an attempt to stop all power being sucked upwards into the leader's hands, while she herself would only admit to her natural journalistic instincts jarring with political imperatives. The truth? Even for this, her one and only interview, her lips are zipped, even if her eyes are expressive.

Trouble first surfaced publicly on the October night Tony Blair was making his leader's speech to the party conference – which fell on the same day as the OJ Simpson verdict. Without consulting Joy, Blair's press secretary, Alastair Campbell, sent a fax to the BBC demanding that the Labour leader should come ahead of OJ in the news running order. The BBC director-general's brisk and rude response called the fax "crass". "I was shocked when I was told about it," she says. Probably because she knew full well that the speech would lead the headlines anyway. That incident defined the tension between herself and the leader's office that was eventually to become unendurable.

Yesterday Labour was saying nothing openly about her departure. But off the record, a picture emerges in which Johnson became a player in both a key personal rivalry and a prime clash between old and new Labour styles of politics. She was hired by Gordon Brown, Shadow Chancellor and head of party campaign strategy. Her appointment was approved by Tony Blair, though she made no secret of her personal politics: "I had wanted Gordon Brown to stand for the leadership. I believe he really wants a fairer society – and means it. When he didn't stand, I voted for Margaret Beckett."

Like other parties, Labour's press operation has an awkward division between the role played by press officers working out of party headquarters and the team in the leader's own office.

What made the split so deadly for Joy Johnson was that this division emphasised a growing chasm between Tony Blair's people and Gordon Brown's people. You could try to dress up the animosity in the respectable clothes of policy difference and matters of substance – but the players would still look pretty naked. The fact is, most of politics is far more about personal rivalry, jealousy



Joy Johnson: 'I was always better at attack than defence'

Photograph: Geraint Lewis

and suspicion than usually gets reported.

For there is but a cigarette paper between the politics of Brown and Blair. The story of their falling out is a fine human drama – a Cain and Abel, a Romulus and Remus. One man nobly stands down for the good of his friend and his party. But he remains embittered, his friend's gratitude never lasts long enough, and living in the shadow of such a bright sun is more painful than anticipated.

Political leadership is absolute and leaves even the closest colleagues far behind in the second rank.

The charge against Joy Johnson is that she set about promoting Brown in particular, to offset the overwhelming publicity given to the leader. She rejects that, and says she promoted the whole team. New Labour, however, is presidential in style, and as she has discovered painfully, that it is the only game in town, the growing

face of modern politics everywhere. One of her predecessors, John Underwood, fell under the same steam train.

Will they replace her? "Oh, I don't think they will," she says with a quick, sharp laugh.

Joy Johnson's fall has exposed the venom between the Blair and Brown camps. One Blairite said: "No, no, I couldn't possibly talk about it. Absolutely not. We are enjoined not to say a word about what really happened."

But it took about a minute and a half and very little prompting before the dam burst and a hilarious wave engulfed Johnson's reputation. It would be too libellous to print, but suffice it to say that what followed was a string of vitriolic insults.

There followed a tirade along these lines: "She was working for him (Brown) and him alone. You should ask X (a Brownite), who is a very intimate friend of hers, and a poisonous individual. She was part of a complete organisation, working just for him."

I bounce these epithets off her, hoping to elicit a response. Her eyes widen, she looks hurt, but her lips stay zipped – almost. "You won't

I had wanted Brown to stand for the party leadership'

get me to say anything. You can think what you like about the people who say such things. I do reject any accusation about my competence. Perhaps it speaks volumes that this all comes from one side."

Indeed, plenty on the other side are full of indignant praise for her, and anger at her untimely removal.

For outsiders, the wonderment of Westminster is that politics expends so much passion about so little. Commentators delight in the Shakespearean tragedies played out in sound and fury, though they signify nothing more than the fascinatingly fissiparous tendencies of all human organisations, from street committees to the floor of the House.

This, it has to be said, is the most minimal interview I have ever conducted. Since Joy Johnson was determined to say as little as possible in the hour and half we spent together. "Why did I ever agree to this interview?" she asks at the end, suddenly panicked that she might have said something that mattered after all. "Because it's good to talk," I said, with irony. But the only talking that goes on is behind the scenes, and it is fierce and acrid in the safety of absolute deniability.

Some advice on sex and hunks

ANOTHER VIEW

Joanne Elvin

ing birth. Not the sort of advice you would find in the pages of a teen magazine like *Sugar*.

I feel deeply for Sarah Cook. Despite the fact that Musa has now been charged with rape and holding his child bride prisoner, Sarah claims he is the one person who makes her feel special. She fled, in desperation, to a man who makes her feel loved and more "beautiful" than anyone has ever made her feel. It's a normal fantasy that many teenagers dream of fulfilling.

The difference is that most of our

teenagers are thankfully given a lot more rational guidance than Sarah has had. In an ideal world she would have been able to nurture her own self-esteem and found beauty and worth in herself. Ideally, Musa's attention may have delighted her but not filled her with gratitude and the conviction that he was her one chance of happiness.

Most teenagers derive feelings of self-worth from various sources. Tragically, many of those sources have failed Sarah. Her friends, it is claimed, called her fat and ugly. And her parents have encouraged her in her love for a much older boy in an illegal marriage.

A magazine such as *Sugar* is a source that teenagers can turn to for information, reassurance and comfort. When we write about sex, we're saying to girls like Sarah that they may understand that rushing into a sexual relationship (particularly at such a

young age) leads not to fulfilment, but yet more pain and self-loathing. We'd tell Sarah that while a little baby may love her, raising a child without parental support in a foreign country could be a living nightmare – big fee or not. We'd urge Sarah to come home, finish school and most of all, develop her self-esteem.

So yes, while we might advise Sarah and other teenagers about sex and relationships, it is information they need to stay based in reality. If on that plane trip to Turkey, Sarah had had a copy of *Sugar*, perhaps she would have turned around at the airport and headed back to Essex.

The writer is editor of *Sugar* magazine.

Name a Star

Millions of stars remain unnamed. Many rich and famous have named stars. Now you can name a star for only £39.95!

• Have your star name in the constellation of your choice.

• Your star name will be registered and copyrighted.

Only - £39.95 (incl. P&P) - includes:

- Constellation chart showing star location.
- Certificate (inscribed by hand).
- Information booklet & constellation guide.
- Registration and copyright.

Celebrate a special occasion

♥ VALENTINES DAY ♥

- Call NOW and receive by Valentines Day

- Mother's Day • Birthday • Anniversary
- Engagement • Wedding • New born

For full details call NOW. Please send no money

Tel: 0181 371 5060

UNIVERSAL STAR LISTING

239 REGENTS PARK ROAD LONDON N3 3LF

MAM swings the battle to Granada

Fatal blow to Forte underlines immense power of the funds

JOHN EISENHAMMER
and SIMON PINCOMBE

Britain's powerful fund managers stampeded into the Granada corral yesterday, with over 90 per cent of them accepting the bid for Forte. "Hostile takeovers are usually pretty close-run things, but this was a landslide," a senior merchant banker said.

Mercury Asset Management delivered the fatal blow to Forte's independence hopes with its decision yesterday morning to tender its 14 per cent stake to Granada. The move by Forte's biggest shareholder sent a number of last-minute waverers heading for Granada, dramatically underscoring the life-and-death power of the giant fund managers.

Gartmore, Royal Insurance and Sun Alliance are among those believed to have swung behind Granada, while NatWest said it had stuck with Forte. The big index tracker funds, which accounted for about 7 per cent of Forte, run by BZW, Legal & General, Hermes and NatWest, would normally have been expected not to take a decision on the battle. The vote count last night showed that close to 67 per cent of the shares - with actively managed funds holding 75 per cent - had accepted the bid.

MAM is estimated to have made more than £100m on its shareholding during the two months of the brutal takeover battle. "After a long time deciding we concluded Granada should be the better steward of the assets than Forte," a spokesman for MAM said.

MAM decided that Forte was pushed into making corporate changes because of the bid, that its management record was poor and the yield on its assets inadequate, and that it had lit-

tle confidence of improvement with the current team.

As Gerry Robinson, Granada's chief executive, yesterday celebrated victory, he sought to play down the widespread perception of MAM's key role. "This bid would have been won without the support of MAM. If you are looking for a professional fund manager then MAM acted in a professional manner. There is a lot of nonsense talked about MAM bringing this bid to us. They knew a day before we announced the bid, just like any other shareholder."

Granada and Forte's intense battle for the allegiance of the fund managers pointed up the power held by the big pension and insurance funds, which own about 60 per cent of UK equity. The 72 members of the Institutional Fund Managers' Association speak for a total of £1,100bn in assets, not all of which is invested in the UK. Recent years have seen a tremendous concentration of power among the biggest players, with the top 25 institutional fund managers in Britain accounting for nearly half the total holding. "The rise of the power of the fund managers, and the concentration, has been one of the biggest changes in corporate life

since the Seventies," said Peter Warrington of WM Company, which measures pension fund performance.

In making its decision yesterday, MAM was speaking for more than 30 corporate pension funds it manages on behalf of clients. It was reported that Sir Stanley Kalms, chief executive of Dixons, in an unusual move, had specifically requested that his shares were not voted to back Granada.

Mercury's pivotal decision swung the spotlight on the personal influence of the key fund managers, particularly Carol Galley, MAM's vice-chairman. This is not the first time the 48-year-old fund manager has brought low a powerful figure. It was Ms Galley who swung the hostile bid for London Weekend Television in favour of Granada in 1994, turfing Christopher Bland, the next chairman of the BBC, out of a job. That was the first occasion that anyone outside the City had ever heard of Ms Galley.

But the Forte family has powerful friends in the media. And they have cast Ms Galley in the role of cold-blooded executioner who would sell her soul to produce a better return for the pension funds she manages and a chunkier bonus for herself in the process. During this bid she has been described as tough, aggressive, arrogant, insensitive and the most powerful woman in Britain. She is the £800,000-a-year-plus female workaholic whose only release is to leave early from her London Bridge office for her home in France.

Predictably, her supporters see it differently. "She works effectively," one said yesterday. "But not silly hours. She is often out of the office by 7pm and, contrary to reports, does



To the victor the pressure: Gerry Robinson now faces rigorous scrutiny from the market and the institutions in pruning £2bn of assets in a few months

not fly to her home in France every weekend. She has a collegiate attitude to her work and only uses her private office for meetings."

Married to a German stock broker, with no children, Ms Galley is one of 240 fund managers at MAM. Originally from Newcastle, she was educated at the local Gosforth Grammar School.

She read languages at Leicester University and joined the MAM library as a graduate in 1971.

Since then she has risen to become one of the country's most successful fund managers. The fast set of published MAM accounts show that she received total pay and benefits of £861,000 in 1994. The package included a performance-related bonus

of £522,000, earned over the period since 1989, and £299,000 in pension contributions.

The same report also revealed that 219 MAM employees stand to share £66.4m in a "golden handcuffs" bonus scheme if they stay on at the company for an "extended" period. Ms Galley stands to become a very rich woman indeed.

Victory now focuses pressure on Savoy

JOHN SHEPHERD
and MATHEW HORSMAN

With its victory confirmed, Granada now faces the hard part: making its £3.5bn takeover work. Analysts agree that it will not be easy to prune £2bn worth of assets in the space of a few months, as Granada has promised to do.

The challenge looks just as great for the other two companies whose futures have been inevitably altered by the bid: Whitbread and the Savoy.

The pressures on Granada will be by far the most intense. It hopes to be left finally with the restaurants and budget hotels it had coveted since the start, and a gearing of 70 per cent. But if there are glitches in the planned disposal programme, the stock market could take its revenge.

Granada is aware of the pressures and the danger of having a powerful shareholder such as Mercury Asset Management peering over its shoulder.

The list of impending sales is long, and could produce some indigestion in the leisure market. Shares in Alpha Airports and Savoy Group are both earmarked for early sale, followed by the 27-strong Welcome Break motorway service areas, which could go to Whitbread.

In addition, Granada will sell the Meridian and Exclusive chains, for which it says it has already identified buyers, and the "trophy" hotels such as the Grosvenor House in London.

Warns an analyst: "There are definitely risks involved, and there had better be a good steady news flow over the next 12-18 months."

The disposal of Forte's stake in Savoy Group will absorb by far the greatest amount of man-

agement time. Analysts say the successful takeover has put Savoy into play. For more than a decade the Savoy, which also owns Claridges and other hotels, has fought off several predatory moves by Forte.

The company has recently stated its desire to remain independent. That, however, may be wishful thinking, with Granada claiming that it has already received several expressions of interest for the Savoy stake it inherits from Forte.

There is an outside chance that the Forte family may seek solace by acquiring the Savoy shares, a move which, according to sources close to the Wontner family, would be welcomed. Analysts, however, believe that the Savoy's recovery could be accelerated if it became part of an international group.

Opponents of that option stress that the mystique of the Savoy would be lost. "People stay at the Savoy because of what it is and stands for. They do not wish to stay at what may eventually become the Marriott Savoy or the Sheraton Savoy," an insider said yesterday.

Whitbread, for its part, has fast become accustomed to disappointment. Failure to buy the Happy Eater and Little Chef roadside restaurants from Forte can be added to a long list of past acquisition failures.

"We gave it our best shot," a Whitbread spokesman said of the Granada win yesterday. "We have ambitious growth plans for our existing brands and we're always on the look-out for new ones." High on the agenda is a desire to buy Allied Domecq's stake in Carlsberg Teley. But this is also being eyed by Bass, toppled from pole position in the brewing league when S&N bought Courage.

Bombardier damper on Fokker rescue

RUSSELL HOTTEN

Speculation increased last night that Bombardier, owner of the Belfast defence company Shorts Brothers, may get involved in a rescue plan for Fokker, the ailing aircraft manufacturer.

Bombardier has a big interest in seeing Fokker survive as 800 jobs at Shorts are dependent on supplying aircraft wings to the Dutch company, whose owner Daimler-Benz withdrew financial support on Monday.

Linda Coates, a Bombardier spokeswoman, said the suggestion that her company may buy part of Fokker or help with a bail-out was pure speculation. "Shorts Brothers has a supplier relationship with Fokker and that's it," she said.

Montreal-based Bombardier, involved in aerospace, consumer products and transport, has a history of acquiring troubled companies, particularly aircraft manufacturers, and turning them around. The company, which is said to have large financial resources, owns de Havilland, maker of the Dash 8 turboprop, and the jet-maker Learjet.

Although Fokker's aircraft assembly lines are likely to close, there were suggestions last night that the Dutch government might provide bridging loans until other parts of the company were sold.

Andre Mulder, analyst at BZW, said Bombardier was the most likely candidate to show an

interest in Fokker. "But the Dutch government needs to clean up the company first and then offer it to Bombardier for a symbolic guilder." Another analyst said the Canadian company was "the most likely new parent in a long list of highly improbable buyers."

Analysts dismissed BAe as a potential buyer as it is a direct competitor and would gain from Fokker's exit from an aircraft market plagued by overcapacity.

However, rival aircraft makers could suffer if 76-year-old Fokker went into receivership and aircraft were put on the market at reduced prices.

Fokker's aircraft production unit will probably stay airborne for the time being without creditor protection as Daimler had guaranteed the delivery of previously ordered Fokker planes.

Leo Steijn, for Fokker, said Daimler could also gain from this as two of its companies had bought dozens of leased Fokker planes in recent months. "That lease portfolio is worth 1.4 billion guilders (£600m). If Fokker collapsed, that value falls dramatically," he said.

The Dutch government was biding a crisis meeting last night, trying to work out how to salvage the business after failure to agree a refinancing package with Daimler.

If Fokker falls it could trigger one of the biggest mass redundancies ever seen in the Netherlands.

£1.9bn Premier buy to propel Farnell into Footsie

TOM STEVENSON
City Editor

Farnell Electronics will sweep into the Footsie index this spring after an ambitious US acquisition, one of the least well-known companies to have joined the ranks of Britain's largest companies. The deal, the price of which raised eyebrows in the City and knocked almost 10 per cent from the shares, will triple the size of the Wetherby-based electrical component distributor, giving it a market value of almost £3bn.

The purchase of Premier Industrial Corporation, also a component distributor, was first negotiated by Railtrack boss Bob Horton, a non-executive director of Farnell since last year and a long-time friend of Mort Mandel, the 74-year-old chairman and chief executive of family-controlled Premier.

After the deal, the renamed group will change its name to Premier Farnell.

The deal is the latest and largest move by Howard Poulson, chairman for the past three years, who described the Premier acquisition as "a once-in-a-lifetime opportunity". Mr Poulson, who inherited a group that had grown profits without pause for almost 30 years, has dramatically accelerated the

company's growth and news of the acquisition was accompanied by the promise of 21 per cent growth in profits for the current financial year, which ends on Sunday.

Farnell will pay £1.85bn for Premier, part-funded by a nine-for-19 rights issue at 540p a share, raising £349m, and the issue of 69.4 million ordinary shares and 27.9 million convertible preference shares. Farnell's £70m cash pile will be wiped out and replaced by net debt of £450m.

Analysts thought the price paid, representing 26 times Premier's after-tax earnings in the year to last May, was high, al-

though they agreed with the commercial logic of a merger that will create large economies of scale. Unlike many of Farnell's recent purchases, Premier is not an underperforming business and increasing its return on sales to Farnell's impressive levels will not be easy.

Other worries included a possible overhang of stock from the Mandel family stake, 25 per cent of the fully-diluted capital of the enlarged group. Various agreements are in place to create an orderly withdrawal if the Mandels decide to cash in their holding, but analysts agreed that the deal may stall Farnell's remarkable share price rise

over the past five years. The shares shed 62p to close at 617p.

Farnell and Premier sell components through catalogues and generate strong cash flows and margins by charging a premium price in exchange for a high-quality, fast service.

There is little overlap in terms of products and suppliers and much of the benefit of the deal will come from pushing each other's products to existing customer bases.

Like Farnell, Premier enjoys an unusually high margin for a distribution business, about 20 per cent in its biggest operation, Newark Electronics.



Howard Poulson: Has made dramatic impact on growth

Lending stokes inflation fears

DIANE COYLE
Economics Correspondent

A surge in bank lending in December, along with signs of an upturn in construction, raised doubts yesterday about the room for further interest rate cuts. But a subdued Confederation of British Industry survey showed that manufacturing remains the weak link in the economy.

Kenneth Clarke, Chancellor of the Exchequer, said last night that he was sticking to his forecast that growth would recover this year. "I believe that the pundits who are being more pessimistic will be proved wrong," he said. Mr Clarke added that inflation prospects were encouraging.

The figures taken together suggest that gloom about the economy has been overdone, some City analysts agreed.

"There is now a lot of evidence pointing to a turn in economic prospects," said David Owen of Kleinwort Benson, warning that the current pace of lending could signal higher inflation.

Output is growing at the slowest pace for over two years, according to the CBI survey. Andrew Buxton, chairman of the CBI's economic affairs committee, said the survey supported the decision to cut base rates last week by quarter of a point. But he added that there was no urgent need for another cut. "I don't think we are very close to a recession."

Some economists said yesterday that the Bank of England would use the strength of lending to argue against further base rate cuts. But Mr Owen said: "The political imperative is to get rates even lower before the May local elections."

The CBI's quarterly survey showed that manufacturing remains sluggish. For the third survey running, more firms were pessimistic than optimistic about the general business situation, although by a smaller margin than four months ago. New orders were flat over the

past four months and the trend in output weakened.

Companies expect domestic orders to pick up during the next four months. The balance of firms expecting output to rise rather than fall increased to 16 per cent. But the CBI warned this could be partly wishful thinking.

However, total lending by banks and building societies jumped by £6.3bn last month, compared with £3.4bn in November, the Bank of England said yesterday. The figure would have been £1.1bn higher but for a one-off loan repayment to one of the banks by a subsidiary.

The British Bankers' Association, whose members account for about 70 per cent of loans, said demand was up across all sectors. There was a takeover-related jump in energy industry borrowing.

Bidders line up in approaches for Midlands

PETER RODGERS
and MARY FAGAN

The takeover boom in the electricity industry stirred into life again yesterday for the first time before Christmas when Midlands Electricity confirmed that it had been approached by potential bidders.

The shares rose 10p to 368p following a 14p rise on Monday. The earlier rise came after it emerged that Tractebel, the Belgian utility, was potentially interested in the company.

Other suitors thought to have knocked on Midlands' door include General Public Utilities, the New Jersey-based utility, and Houston Industries, which unsuccessfully tried to poach Norweb from North West Water last year.

A few weeks ago there was also a suggestion that Midlands would discuss a friendly merger with Southern Electric, the distribution company in the South of England. Southern, which is subject to a bid by National Power, has always made clear that it would welcome approaches from fellow regional firms. But Midlands played down suggestions that a move was imminent and it is thought that any further announcement could be weeks away.

Midland said that although it had received approaches since the lapse of a £1.95bn offer from PowerGen, "the board does not consider there is any im-

mediate prospect of an offer being made for the company."

The PowerGen offer was referred to the Monopolies Commission by Ian Lang, President of the Board of Trade, and the report is not expected to be submitted to the Government before late March, followed by a period during which ministers will consider whether to act on any recommendations.

This long delay could give rival bidders a window of opportunity to challenge PowerGen, particularly those from abroad with few UK electricity interests whose offers would pose no serious competition problems. Previous foreign bids have been cleared by Mr Lang. PowerGen, along with National Power's bid for Southern, were both referred because the takeovers would result in a return to the vertically integrated structure that was dismantled at privatisation.

The approaches to Midlands are believed to have been from senior executives in interested suitor companies rather than from the merchant banks that are known to be scouring the country for the remaining electricity takeover business available.

Tractebel, the £4bn Belgian company that owns two power plants in Northern Ireland, confirmed on Monday that it was exploring opportunities in the British power industry but said reports of any imminent move were "a bit too hasty".

STOCK MARKETS									
FT-SE 100									
Index	Close	Day's change	Change (%)	1995/96 High	1995/96 Low	Yield (%)			
FTSE 100	3735.00	-19.20	-0.5	3754.20	2954.20	3.82			
FTSE 250	4072.40	-5.80	-0.1	4080.10	3300.90	3.80			
FTSE 350	1853.40	-8.10	-0.4	1861.50	1482.40	3.78			
FT All Share	1996.89	+1.02	+0.1	1998.89	1678.61	3.13			
FT All Share	1827.22	-7.29	-0.4	1834.51	1469.22	3.73			
New York	5195.88	-23.48	-0.4	5219.36	3832.08	2.27			
Tokyo	20080.92	-115.61	-0.6	20088.03	14485.41	0.789			
Hong Kong	10957.22	+1.89	+0.0	10957.22	6967.93	3.401			
Frankfurt	2384.47	-6.06	-0.3	2398.76	1910.96	1.967			

Source: FT Information

INTEREST RATES									
Short sterling									
1 Month	6.25	6.13	7.34	8.75	7.51	8.71			
3 Months	5.44	5.19	5.63	7.85	6.97	7.92			
6 Months	4.44	0.69	2.96	4.71	-	-			
1 Year	3.56	3.31	5.83	7.58	6.82	-			

UK medium gilt									
1 Year	6.25	6.13	7.34	8.75	7.51	8.71			
3 Months	5.44	5.19	5.63	7.85	6.97	7.92			
6 Months	4.44	0.69	2.96	4.71	-	-			
1 Year	3.56	3.31	5.83	7.58	6.82	-			

US long bond									
1 Year	6.25	6.13	7.34	8.75	7.51	8.71			
3 Months	5.44	5.19	5.63	7.85	6.97	7.92			
6 Months	4.44	0.69	2.96	4.71	-	-			
1 Year	3.56	3.31	5.83	7.58	6.82	-			

CURRENCIES									
£/\$									
Yesterday	1.5140	-0.09%	1.5083						
1 Month	1.5120	-0.15%	1.5095						
3 Months	1.5120	-0.15%	1.5095						
6 Months	1.5120	-0.15%	1.5095						
1 Year	1.5120	-0.15%	1.5095						

£/DM									
Yesterday	0.6925	+0.04%	0.6926						
1 Month	0.6914	+0.07%	0.6926						
3 Months	0.6914	+0.07%	0.6926						
6 Months	0.6914	+0.07%	0.6926						
1 Year	0.6914	+0.07%	0.6926						

£/¥									
Yesterday	105.820	+0.05%	99.675						
1 Month	99.0	+0.1	95.5						
3 Months	99.0	+0.1	95.5						
6 Months	99.0	+0.1	95.5						
1 Year	99.0	+0.1	95.5						

Midland said that although it had received approaches since the lapse of a £1.95bn offer from PowerGen, "the board does not consider there is any im-



COMMENT

"If this bid has achieved nothing else, it has sent out a clear warning to underperforming, uncommunicative managements: reacting in the desperate, panic-stricken way that Forte did won't turn the tide"

Now is the time for inspiration and innovation

As every conquering hero invariably discovers, winning the battle is the easy part. The real difficulty begins when you try to establish the empire. Having won control of Forte, Gerry Robinson and his team at Granada face as tough a management task as they come. Over the next six months he needs to deliver a steady stream of asset disposals at prices that might be difficult to achieve even in a sellers' market. As it is, the sheer weight of top-notch hotels going up for sale would normally be expected to drive prices down.

On top of the planned £2bn worth of disposals, he needs to bring about a sea-change of culture and service in what remains of the dismembered Forte group. There is no doubting the potential for improvement that lies within Forte. Anyone with the unfortunate experience of staying at a Posthouse hotel in recent times would be able to tell you about it. Nonetheless, achieving such change at a time when the arithmetic of the bid requires savage cost-cutting calls for swift and delicate footwork as well as an inspired and innovative management approach.

Judging by yesterday's landslide victory, the City seems to believe he can do it. It is important to realise, however, that it was as much the City's desire for revenge as any inherent belief in Mr Robinson's management abilities that swung this bid. Ms Galle's early acceptance yesterday morning may have helped to create a snowball effect,

but on the final figures it appears that Granada didn't need her, it would have won anyway. It is hard to overestimate the disillusionment among Forte's shareholders. Sir Rocco Forte has paid the price.

If this bid has achieved nothing else, it has sent out a clear warning to underperforming, uncommunicative managements: reacting in the desperate panic-stricken way that Forte did when hostilities began won't turn the tide. It also shows the City has little patience with dynamically-run companies that pursue personally motivated campaigns. While it is true Sir Rocco eventually took steps to disentangle Forte from its disastrous 13-year siege of the Savoy, it looked too much like a death-bed repentance to be taken seriously. His use of capital markets 18 months ago to issue stock at a deep discount to underlying assets was for many big shareholders the final straw. But although revenge may be sweet, the aftermath can be a messy one. Over to you Mr Robinson.

Extra pennies make Farnell a cash machine

As with many of the best stock market investments, few have even heard of Farnell, a company that for many years has been quietly coming it from one of the least glamorous businesses known to man, electronic components distribution. Its lack of profile hasn't stopped Farnell's market value rising

sixfold over the past five years to the best part of £1bn. Nor will it stop the company cruising into the FTSE 100 in the spring when its latest deal, the £1.85bn acquisition of US rival Premier, triples its size again.

By any measure this is a hugely ambitious deal and the market's scepticism about Farnell's ability to cope was writ large in a 62p fall in the share price to 617p. Howard Poulson, chairman, described the acquisition as "a once-in-a-lifetime opportunity", and for a business worth less than £200m five years ago it is plainly a massive leap.

The price at which NatWest and BZW felt comfortable underwriting the rights issue, 540p against a share price of 679p, hardly suggests enormous appetite for the deal. With earnings dilution of nearly a tenth expected in the enlarged group's first year's trading, the worries of managing a big US business by remote control and the 25 per cent vendor's stake overhanging the market, that caution is justifiable.

But anyone who knows anything about Farnell is likely to give management the benefit of the doubt. Dull it may be, but with a return on sales any other wholesaler would kill for, a fast-growing market and state of the art IT systems, who needs glamour?

Farnell makes a 20 per cent profit on sales for the simple reason that it is neither here nor there to the men in white coats in small electrical labs whether they pay 10p for that small but crucial little connector or 11p. When you are only buying half a dozen, the

difference is immaterial, but when you're selling a hundred thousand the benefit to the bottom line is not to be sneezed at.

That extra penny a sale has made Farnell a cash machine. It may have overpaid in the short run, but a few more years of the 21 per cent growth Farnell promised yesterday and nobody will notice. You never know, one or two people may even claim to have heard of the company.

Jaw jaw could serve BT shareholders well

Over the next two to three weeks, British Telecom must respond to two key regulatory initiatives; its approach could mark a watershed in the company's history. If BT digs its heels in and kicks against the regulator, it will certainly end up with the Monopolies and Mergers Commission. As British Gas has already discovered, that can prove a fate worse than agreeing the regulator's original demands. Equally, BT may have reached the point of no return: for shareholders, it might argue, a stand needs to be taken against the ever-encroaching powers of the regulator. Which way to go?

On one of the initiatives, the new price cap to govern BT into the next century, we don't yet know precisely what Don Cruickshank, director general of OfTel, has in mind. But we do know he wants BT to live with a much smaller rate of return on capital than

allowed. That means a correspondingly tough price cap regime. The quid pro quo is more flexibility for BT to decide what to do with its various tariffs but the overall effect would be deeply negative.

BT must decide whether increased competition is in any case going to drive rates of return down to the levels envisaged by Mr Cruickshank. By the turn of the century, 80 per cent-plus of telephone subscribers will have some kind of a choice of carrier. Harsh though OfTel's proposals might be, the market place might prove harsher still.

The second initiative is equally hard to call. Here the regulator is asking for a general prohibition on anti-competitive behaviour, a catch-all clause that would allow the regulator to deal swiftly with any abuse of dominant market position. This is a reversal of the present position where a new licence amendment has to be sought every time the regulator discovers a new case of abuse, a situation that plainly suits BT. Again, however, the detail of this reform provides plenty of scope for negotiation. Already Mr Cruickshank has shown himself ready to retreat from the extremes of his position: the requirement that BT give competitors notice of all new services, a key objection to the regulator's proposals, is being dropped.

Jaw jaw is usually much better than war. It may well be the case that BT is able to achieve more for its shareholders by adopting this approach than challenging the regulator before the MMC.

Talk of \$4bn takeover of Apple by Sun lifts shares

DAVID USBORNE and MARY FAGAN

Shares in Apple, the beleaguered computer group, jumped last night amid speculation that it was poised to accept a takeover offer from Sun Microsystems, the maker of high-end computer workstations.

First whispers of the deal emerged as Apple's chief executive, Michael Spindler, was preparing for what promised to be an angry annual shareholders' meeting yesterday in Cupertino, California, where the company is based.

At the same time the company, once the darling of the industry, said it had appointed one of its executives, Satjiv Chahil, to the newly-created role of senior vice-president of corporate marketing.

The absorption of Apple by Sun would signal a fundamental recasting of the computer in-

dustry landscape. It would in effect sound the death-knell for Apple, which pioneered the marketing of easy-to-use personal computers to consumers in the 1970s and 1980s with its Macintosh operating system.

More recently Apple has been beset by problems for which Mr Spindler has received widespread criticism. Last year, it failed to keep up with demand for some of its top products and dramatically cut its prices in a bid to defend market share. It recently announced losses of \$69m for the quarter ending on 29 December, which should have been its most lucrative.

The company's crucial difficulty has been fending off the increasing dominance of the so-called Wintel system for personal computers that use the Windows package developed by Microsoft with powerful computing chips manufactured by Intel. In spite of its enduring

popularity among some consumers because of the simplicity of its system, Apple has only 8 per cent of the US personal computer market.

Details of the deal were reported by yesterday's *Wall Street Journal*, which said that a final agreement was "imminent". The paper said it was likely to be a stock-swap transaction valued at about \$4bn, or \$33 per Apple share. That would be half of what Apple reportedly asked IBM for the company during takeover negotiations in 1994.

Scott McNealy, Sun's chief executive, is believed to have been meeting with his staff over the past few days to put the finishing touches to an offer. The closure of a deal would be a significant coup for Mr McNealy, who at the age of 27 founded Sun with three partners and has seen it rise over the past 14 years to become one of the stars of the industry.

Sun built its success on workstations using the Unix software system which networked with hardware and software from a variety of manufacturers. The company, which went public in 1986, is also cashing in on the Internet boom, providing more than half of all Internet servers.

Reports about a link with Apple surfaced in 1995 but talks were apparently suspended late last year when Apple first indicated that it was on track to make a loss for the quarter.

Last week, Apple unveiled the beginnings of what was expected to be a radical restructuring. But the hopes of those who expected the board to demand the resignation of Mr Spindler were dashed.

If Sun does acquire Apple, it is expected that it would largely abandon the production of Apple Macintosh computers and license their manufacture to other companies.



Under siege: Michael Spindler, chief executive of Apple, recently announced \$69m losses and a restructuring

IN BRIEF

Spottiswoode overruns Gas delays

Attempts by British Gas to delay competition in the domestic marketplace from April this year have been overturned by Clare Spottiswoode, the industry watchdog, writes Mary Fagan. Ms Spottiswoode said the situation would be kept under review but that she "has not heard anything" to convince her that the date should be pushed back. Ms Spottiswoode said British Gas is "supporting this process" but the company countered that its stance had not in fact changed. The Government plans to introduce competition from 1 April in an area covering 500,000 homes in the South-west, with the market opening fully by the end of 1998.

Barings administrators sue auditors

Coopers & Lybrand and Deloitte & Touche, former auditors at Barings, the merchant bank that collapsed after one of its dealers, Nick Leeson, ran up unauthorised trading debts of \$800m, have had legal proceedings issued against them by Ernst & Young, the bank's joint administrators. Ernst & Young's claim for "substantial" damages alleges negligence on the part of the Singapore offices of Deloitte & Touche and Coopers & Lybrand, together with the London office of Coopers & Lybrand. The allegations are denied.

Nuclear debt 'poker'

Sir Peter Middleton, chairman of BZW, told MPs on the Commons trade and industry committee that the Government and British Energy were playing a "game of poker" over the amount of debt the nuclear company would carry when it is privatised in the summer. Revealing that marketing of the sale will start in March, he said he was sure the argument over the debt would be resolved in time for the prospectus.

US consumer spending up

Consumer spending in the US jumped by 0.9 per cent in November, according to delayed figures yesterday. The unexpected rise was due to energy use, and had little impact on the markets. December retail sales will turn out to have been very weak, preliminary surveys suggest. The yield on the benchmark 30-year treasury bond edged up due to continuing uncertainty about the Federal budget.

Jobs priority in Irish budget

Ireland's Finance Minister, Ruairi Quinn, yesterday moved to protect those on social welfare and offered tax and welfare allowances to lure the long-term jobless back into low-paid employment. Key provisions in his budget include £800 per week (£831 wage subsidies lasting one year for employers taking on those unemployed for three years or more. Reduced corporation tax for small firms, down to 30 per cent on the first £250,000 of taxable profit, is also aimed at reducing Ireland's 14 per cent unemployment rate.

Unilever cleans up with £360m Canadian buy

NIGEL COPE

Unilever, the Anglo-Dutch consumer products giant, made its largest acquisition for more than five years yesterday when it agreed to pay £360m for Diversey, the industrial cleaning division of Molson, the Canadian brewer.

The deal doubles Unilever's share of the industrial cleaning

products market and makes it number two behind Henkel-Ecolab of Germany.

Diversey is based in Toronto and specialises in the manufacture of non-domestic cleaning products. It is particularly strong in the food and beverage markets of North America, Europe, Japan and the emerging markets. Unilever says Diversey will complement Lever Indus-

trial International, its existing industrial cleaning business that makes floor care and surface cleaning products.

David Laing, of brokers Henderson Crosthwaite, said: "It fits nicely with their existing business and I'd imagine Unilever will be looking to add to it with similar deals if it can find them."

Diversey achieved operating profits of £34m on sales of

£507m in the year to March 1995. The value of net tangible assets was £184m at the half-year ended September.

The deal is likely to involve some job losses in the UK as Lever and Diversey have British factories and head offices.

Diversey employs 500 in the UK in a Northampton head office and two manufacturing plants in Luton and Alfreton.

Debyshire. Lever has 630 staff in High Wycombe and Runcorn. The company declined to comment on redundancies yesterday, saying no decision would be made on job cuts before a full review. However, it said Diversey's head office would remain in Mississauga, Ontario, while the Lever Industrial headquarters will stay in Holland.

Unilever claimed the deal

would give it 14 per cent of the industrial cleaning products market which is worth £7.4bn world-wide. The market is growing particularly fast in Latin America and Asia.

Last week Unilever announced the acquisition of the Hong Kong-based Weis group, which has a strong base in China, one of the fastest growing parts of the market.

INTEREST FREE CREDIT ON HOLIDAYS AND FLIGHTS

FLY NOW Pay later

WITH THE INDEPENDENT



Morocco - Marrakech

Fly Now Pay Never!

£25,000 of flights and holidays to be won

Today you could win a holiday for two to Morocco, including flights and accommodation. Probably the most splendid of North African countries, Morocco boasts a colourful history and imposing Islamic architecture. There are also the natural attractions of Atlantic beaches and the High Atlas mountains which help to make this an unforgettable destination.

To enter our competition all you need to do is answer the following question and call the Fly Now Pay Never competition line on 0891 161 985.

Question: Morocco is bounded by which major desert?

Calls cost 39p per minute cheap rate, 49p per minute at all other times. Lines close at midnight tonight. Postal entry can be made by sending your answer, name, address and telephone number to: The Independent/Fly Now Pay Never Day 3, PO Box 7298, London E14 9EG by no later than 26 January 1996. The winner will be picked at random after entry closes, from all correct entrants.

If required, you can request a credit check at any time prior to booking your holiday by phoning The Independent/Co-op Travelcare number, however another check will be carried out at the time of booking to ensure that there has been no change to your status.

The Easy Payment Plan cannot be used in conjunction with any other Co-op Travelcare offer. Terms and conditions are as previously published.

**Fly Now
Pay Later**
Token 3
THE INDEPENDENT

Take off with The Independent and the Independent on Sunday's Fly Now Pay Later offer.

We've teamed up with Co-op Travelcare, one of the top travel agency chains in the UK, so that readers of The Independent can get up to £2,500 Interest Free Credit on holidays and flights booked through our special service. So now you can take off when you feel the inclination - without paying everything up front. For example, on a holiday costing £2,500, at a typical APR of 14.9% you would save £328.

With over 300 holiday brochures and 49 airlines to choose from, there are holidays to suit everyone. Whether it's snowboarding in the Alps, a romantic weekend city break, or trekking in Nepal, you'll have the freedom to take off anytime between 1 February-31 December 1996.

How to Qualify for the Easy Payment Plan

Each day in The Independent and the Independent on Sunday, until Saturday 3rd February, we will print a different numbered token. In order to qualify for the Fly Now Pay Later Easy Payment Plan, you need to collect eight differently numbered tokens and keep them safe until you are ready to make your booking. Today we are printing Token 3.

How to Book Your Holiday

You can select any overseas holiday available from over 300 major name brochures, subject to availability. This includes holidays from major tour operators such as British Airways Hol-

days, Cosmos, P & O Cruises, Airtrans, Sunworld, First Choice and many more. Simply pick up the brochure of your choice and select your holiday.

If you are planning to visit friends or relatives, or simply prefer the freedom to travel independently, you can choose to book scheduled flights only, provided the overall booking value meets our minimum limit of £500. There are 49 airlines to choose from, including British Airways, Virgin Atlantic, TWA, Qantas, Air France and United Airlines.

With the Fly Now Pay Later Easy Payment Plan all you pay is the cost of your holiday, plus insurance. There are no hidden extra charges, providing that you fulfil the terms of your Easy Payment agreement.

The amount of the booking is payable by Direct Debit in 10 equal monthly instalments from the time of booking. At least three of these payments must be made prior to travel. If, however, you wish to travel within three months of making your booking, you may do so by paying your first three instalments (i.e. 30% of the cost of your holiday) at the time of booking. You are then free to make the remaining payments over the next seven months.

It is a requirement of the offer that you purchase Co-op Travelcare insurance at the time of booking. Details of the policy are available on request.

To check that your preferred flight or holiday is available, and that it is eligible for the Easy Payment Plan, simply call The Independent/Fly Now Pay Later helpline below.

0161 827 1044

If the holiday is available, and you meet the credit rule requirements, the Co-op Travelcare's friendly reservations staff will complete a credit application form whilst you are on the phone. If the holiday or flight that you require is not available, you will be advised of alternative options.

Your rating will be checked in the normal way and a decision made instantly. The agent will then call you back to advise you of your status. In some cases, you may be

required to provide further information before your status can be confirmed.

Once your application has been accepted, your agent will book your holiday for you. You will be asked to pay the holiday insurance premium by credit or debit card whilst you are on the phone.

Co-op Travelcare will send confirmation of your holiday booking, together with a credit agreement and Direct Debit mandate which you will

be required to sign and return in the pre-paid envelope provided.

If you have the relevant brochure, you will find a booking form at the back which you must sign and return, together with your eight tokens in a separate envelope, to: The Independent Fly Now Pay Later/Co-op Travelcare, Telephone Booking Centre, PO Box 53, New Century House, Manchester M60 4ES. If you do not have a brochure, you will be sent a booking form with your holiday confirmation.

THE INVESTMENT COLUMN

Edited by TOM STEVENSON

Euro Disney an expensive fantasy

Shares in Euro Disney have a history of performing all the magical leaps and bounds of one of the French theme park's best rides. Yesterday produced another fantasy trip when the shares edged up 4p to 154p on the back of reduced first-quarter losses, whilst ignoring various looming charges that hang over the group.

First, the fantasy. The market drew comfort from an upbeat set of figures for the three months to the end of December which showed that Euro Disney's losses almost halved from Fr109m (£13.9m) last year to Fr57m this time. Sales were also up 17 per cent to Fr1bn. Attendances and hotel occupancy figures have been boosted by last April's price cuts of 21 per cent, though the company did not release details yesterday.

There was further encouragement from news that the public service strikes had not dented sales at the end of last year.

But the reality for Euro Disney shareholders is rather more sober. The main problem is the interest and royalty holidays which are still flustering the group's figures but are already starting to run out. The company began a phased process of interest payments last September and will pay an estimated Fr120m in charges this year. Lease and other financial charges have already increased by Fr37m in the quarter. Management fees and royalties to Walt Disney, which owns 39 per cent of Euro Disney, start in 1999.

By some estimates, the company will have to increase sales 30 per cent over the next three years to cover these additional burdens and justify its current share price. Though the company has improved sales significantly this year due to lower prices, this is likely to prove a one-off boost. On top of this, Disneyland Paris - as the park itself is known - is battling against a strong franc which makes the attraction expensive for foreign visitors, particularly those from Britain.

All this makes November's announcement of the company's first profit look tame, particularly as Fr112m of the Fr114m profit was due to the repurchase of its convertible bond.

Paribus, a long-standing bear of Euro Disney, says that at the current price, the shares are trading on a massive 30 times reported earnings. The broker is forecasting a pre-exceptional profit of Fr17m but a post-exceptional loss, after interest payments, of Fr50m for the full year.

After a roller-coaster 1995, when the shares rose to 245p in May only to end the year not much higher than they started at 140p, this year is likely to be just as volatile. Even after yesterday's figures, the shares look as risky as ever.

Annus horribilis for Domino

Last year was an *annus horribilis* for Domino Printing Sciences, the maker of the ink jet printers used to put sell-by dates on food products. In the early part of 1995, problems with the print heads on some of its new machines led to additional costs of £1m and around £2m lost sales.

But worse was to come. In September and November, it was forced to issue profits warnings after it emerged that ink was congealing in the printers, clogging the jets and, as it turns out, wiping out most of the second-half results.

Domino reckons that that cost £3m directly, with a further £5m hit to the sales line.

Domino has moved with com-

mendable speed to deal with its problems, taking a £1.5m charge to rationalise its headquarters and two loss-making operations. But the net result was a cut in pre-tax profits from £13m to £5.1m for the year to October.

Domino now fervently hopes that last year's difficulties are a thing of the past and has pegged the dividend at 10.1p, despite the bare earnings cover. The building momentum behind sales since the year end gives weight to this optimism and there is no question that the company continues to operate in an exciting market.

Industrial ink jet sales are thought to have jumped a fifth to around £600m last year and new applications, like identification for car parts, and new geographical markets are still being developed.

But last year's problems have weakened Domino's number two position in the market, which has slipped by an underlying 1 percentage point to 17 per cent.

It has also done itself no favours with investors after spending £8.3m in shares and cash on three acquisitions at the end of 1994, which have collectively racked up losses of £500,000.

Meanwhile, net cash is down from £16.3m in 1994 to £3m currently, although it is expected to recover.

Profits this year of £13m would put the shares at 409p, up 5p, on a prospective multiple of 13. Hold.

Re-branding aids Shandwick

Shandwick, the public relations group, had a near-death experience in the early 1990s, after a buying spree left it with huge debts and no assets. The company's bankers have got used to net assets permanently in the red at "people-based" businesses and, at £43m in October, Shandwick's deficit on shareholders' funds is the lowest it has been this decade.

In fact, it has almost completely rehabilitated itself from the problems of the past, as a recent long-term financing deal and yesterday's results demonstrate. Reported pre-tax profits dived from £7.33m to £2.53m in the year to October. But stripping out goodwill on the disposal of the Kaufman advertising business in the US and other proposed sales, there was an underlying rise of 5 per cent to £7.7m. A final dividend of 0.87p pegs the total payout at 1.3p for last year.

The sale of Kaufman and the proposed exit from two printing businesses will end Shandwick's restructuring. Its new concentration on pure public relations and its size, where it is second in the world only to Young & Rubicam's Burson-Marsteller, have allowed the group to cash in on the emerging trend for big clients to demand a global service.

The re-branding of the formerly disparate US businesses under the Shandwick banner is already helping to pull in clients. The recent capture of computer giant Digital Equipment, which is expected to become one of the group's top five clients within a year, was said to be directly related to Shandwick's newly-raised profile.

PR companies tend to grow faster than the general economy in good times, so profits of £9m should be possible this year, putting the shares, down 3p at 41.5p, on a forward multiple of 9. With more than half the revenue coming from across the Atlantic, Shandwick remains heavily dependent on the US market. Even so, the shares still look reasonable value, a view supported by Julian Treger and Brian Myerson, whose UK Active Value Fund recently raised its stake to just over 10 per cent.

John Willecock CITY DIARY

Sir Peter turns the tables on MPs



Scottish Nuclear, the power company that generates about half Scotland's electricity, is designing its own tartan. Tour guides at the company's Torness and Hunterston power stations will wear the specially-designed outfits as part of the company's "Come and See" programme. Bill Doig, director of production at Torness, said the company looked at a number of ways to reinforce its separate identity before deciding on its own tartan. "We feel that a tartan in the Scottish Nuclear corporate colours of red and blue will get across the message to visitors that we are a Scots company with a strong identity and successful track record." Mr Doig obviously didn't anticipate tasteless Sassanach jokes along the lines of "that'll get your sporrans glowing", and the like.

can add a little. Apple layers. Or blend completely. Inherent qualities always remain. Yet something new is born. A design firm called Barnes Vereker were responsible for this cobblers.

Much has been written about the collapse of Folkler, the Dutch aircraft maker. It has taken Lord Tebbit, to put his finger on the true cause: the move to European Monetary Union.

The former minister told their Lordships yesterday that while civil aircraft are priced in dollars, the Dutch guilders is tied to the mark. He said this caused the financial crisis at Folkler.

and the threat to jobs at Bombardier's Short Brothers' factory in Belfast.

It is just as well Lord Tebbit was not asked to comment on a European Union plan revealed yesterday to spend part of a £4.8m scheme on prostitutes in Vienna. The scheme is aimed at ending "social exclusion" with projects which range from helping the prostitutes to supporting London's homeless.

"Helping prostitutes is a perfectly legitimate thing for us to be doing. They are victims of social exclusion," said a Commission spokesman. Tell that to Lord Tebbit - and stand we'll back.

Profit hopes shore up Zeneca defence

MAGNUS GRIMOND

The drugs and chemicals group Zeneca has in effect shored up its bid defences by announcing a £40m charge to improve efficiency and indicating that profits for last year will be at the upper end of expectations.

Forecasters, previously pitched at between £20m and £28.5m ahead of exceptional charges, were being edged up to a consensus figure of about £27m for the year ending last December following yesterday's announcement.

Bid rumours, centring on

Swiss drugs giant Roche Holding of Switzerland, have swirled around Zeneca for months. The profits estimate, coming alongside moves by the company to further boost efficiency in the pharmaceuticals operation, will push up any price a bidder might have to pay, while limiting the scope for a new owner to further cut costs.

The shares dipped 14p to £12.85 yesterday, although dealers said this had less to do with the aftermath of an issue of warrants in the shares by brokers Barclays de Zoete Wedd on

Moody. Zeneca traditionally updates the market on current trading in January, while the £60m provision comes half-way through a two-year programme to "re-engineer" the pharmaceuticals business to cut costs and working capital. None the less, yesterday's news will have done it no harm in fending off a bid, should it emerge.

Zeneca's healthy profits for last year have come on the back of strong fourth-quarter sales in pharmaceuticals, which have pushed growth in the whole of 1995 ahead of the trend for the first nine months.

Housebuilder launches £73m cash call

TOM STEVENSON City Editor

Berkeley Group, perhaps the best regarded of all the quoted housebuilders, issued an unambiguous statement of confidence in the housing market yesterday, launching a £73m cash call to fund an accelerating land-buying programme.

Tony Pidgley, chief executive, said he had confidence in the market and needed to be able to react quickly to increasing opportunities to buy good quality land and develop-

ment schemes. Those tended to come when the market had been quiet, he said, adding: "We are positive about the prospects for housing and, given the changes in the structure of the housing industry in the last two years, believe the opportunity exists to continue to grow both organically and possibly through modest acquisitions."

Since the half-year end last October, Berkeley has bought enough land for 913 houses on 53 sites at a cost of £43m. With borrowings rising to £16.8m, the rights issue will initially pay off

debt and then be used to buy more sites.

Berkeley, which specialises in upmarket houses, believes a trend away from large volume green-field developments towards smaller town and city-centre sites is emerging.

Purchases to meet that demand have included sites on the Thames near Hammersmith Bridge, a scheme near St Paul's cathedral in the City of London and a development in Brindley Place, a mixed commercial and residential development in Birmingham.

According to Mr Pidgley: "Larger urban schemes of this type are often carried out in association with major land owners, are capital intensive and involve up front financial expenditure. They also involve a longer gestation period and it is important to acquire the sites both when they are available on the right terms and in anticipation of future development needs."

The rights issue, a 2-for-9 call at 43.5p compares with Monday's closing price of 50.9p. The market's welcome for the issue

was reflected in a fall of just 5p yesterday to 50.4p, well above the notional ex-rights price of 49.6p. Since last February, Berkeley's shares have risen more than 60 per cent from a low of 31.6p.

The City's enthusiasm for Berkeley has been underpinned by steady growth since the recession, despite the difficult housing market. Turnover has climbed from £126.5m in the year to April 1992 to £283.4m last year. During the same period, pre-tax profits have trebled from £12.6m to £37.6m.

finance & legal

An 7 page appointment section covering vital issues in accountancy, public sector finance and the legal profession.

See pages 15 - 21 section two

To book your advertisement call The Finance & Legal Team on 0171 293 2310

Every Wednesday in the

THE INDEPENDENT section two

Alldays lifts W&P

DAVID HELLIER

Watson & Philip, the fast-growing convenience stores group, yesterday announced a 74% rise in pre-tax profits and said that in 1996 it intended to add around 100 stores to its Alldays convenience stores network.

The profits growth resulted from increased margins; turnover rose 13% to £497.5m and the dividend is lifted 8% to 16.5p from 15.3p.

Chairman James Watson said the results confirmed that the trading format was performing well in the current environment. "We see many opportunities to continue to grow organically through market share gains, particularly in the area of multi-temperature supplies. Overall, current trends give us confidence that we will deliver continued strong performance."

The group said the higher operating profit at Alldays - up 52% - reflected an increase in operating margins from 3.9% to 5% as a result of an improving sales mix, the impact of the Lottery and volume-related efficiencies. The network grew by 102 stores in the financial year to more than 450 stores nationally. This figure included 47 company-owned branches and 77 franchised stores; 22 branches were sold or closed.

The balance sheet shows the effects of a revised accounting treatment and includes a capital liability of £7.4m which increases balance sheet gearing. Operating profit decreased by 17% to £1.6m in Trademark, one of the company's cash and carry subsidiaries.

The shares rose 9p to 574p.

Tax sweetener boost for Railtrack's bottom line

Allowances inherited from BR will help the prospects for privatisation. Report by Peter Rodgers and Christian Wolmar

Railtrack yesterday revealed the impact of one of the most valuable sweeteners the government has given to the £2bn privatisation, when its half-year profits included a tax credit rather than the large payment last year.

Over the next two financial years Railtrack will pay virtually no tax, as a result of a deal last year with the government over the extent to which it could inherit British Rail's tax allowances.

In later years, the company will also use tax allowances from its planned increase in capital spending - to at least £1bn a year - to curb its overall tax bill.

The tax benefits will be a big boost to bottom line profits, to Railtrack's ability to pay dividends and to the prospects for the privatisation in late May, offsetting disappointing pre-tax profits in the latest half-year.

Pre-tax profits for the six months to September were £98m, just over half the £189m made in the previous year (of 13 months). Operating profits were £151m, against £305m in the previous year.

But net profits of £111m for the six months to September

were higher than in the whole of the previous year - a figure which included £9m of property profits and a £13m tax credit. The net profit was only £101m in the previous full year, because the tax charge was £88m.

No separate figures are available for the first half of last year, because Railtrack's embryonic information systems could not produce the data.

Comparisons are in any case hard because the previous year included £148m for the one-off costs of the signal workers' strike and £46m as a provision covering all future privatisation costs. Without these, Railtrack would have made closer to £400m before tax in the previous year, so the underlying profitability in the year to this March appears to be sharply down - perhaps halved.

The main reason is the rail regulator's decision to toughen Railtrack's price controls so that the company could calculate charges to train operators on

the basis of inflation minus eight per cent. But in future years this tough regime eases to inflation minus two per cent.

Another complication is that whenever trains run an average of more than four minutes late because of track and signalling problems, Railtrack will have to pay penalties to the train operating companies. But to help the investment programme and boost the flotation, the impact on profits has been deferred for several years.

The results showed the penalties running at £89m in a full year. But the regulator has approved £84m in offsetting compensation payments in the year to March, wiping out all but £5m of the cost. Next year the compensation will rise to £90m, before falling off to £10m in 2000-01.

To confuse still further, there is to be a write-off of a substantial part of Railtrack's £1.7bn debt, which will slash the interest charge and inflate the pretax profit when the prospectus is published. Tough negotiations with the Treasury on the size of the write-off are about to start.

John Edmonds, chief executive, said there were 13,000 monitoring points collecting information on train timings. Railtrack passes on £31m to its own suppliers for their own performance monitoring targets and estimates that it will pay out £59m to train operating companies for its failure to keep to the timetable this year.



Unveiling the Railtrack figures: Chief executive John Edmonds, chairman Bob Horton and finance director Norman Bradhurst. Photograph: Edward Sykes

IN BRIEF

Flotation values MediaKey at £32.7m

Shares in MediaKey, the newly formed media and publishing group, will be priced at 60p when it floats on the stock market next week. The placing raises £25m and values the company at £32.7m. In addition to Video Arts, the training company founded by the comic actor John Cleese, MediaKey is also buying Marshall Information, a book-packaging company.

Gavin Morris joins Alfred McAlpine

Gavin Morris has been appointed finance director at construction group Alfred McAlpine. He joins from Norcross, the ceramics and specialist printing company where he held a similar position.

Colefax & Fowler sees profits rise by 10%

Colefax & Fowler, the wallpaper and furnishings group, increased pre-tax profits by 10 per cent to £694,000 in the six months to October. Sales in the UK and US are static but 13 per cent higher in Europe. The decorating division is below last year's levels due to the retirement of two senior staff and the continued problems in the UK and American housing markets.

Central Motor Auctions sales recover

Central Motor Auctions, the vehicle disposal group, has reported near doubled profits of £116,000 for the year to October. Auction sales fell in the second half but have returned to more satisfactory levels in the current year. The company will not be paying a final dividend as it would not be covered by earnings. Brian Carter, who took over as chief executive in September, is due to retire in April. A successor is still being sought.

Emmot moves from Sainsbury to Asda

Asda has completed its new management changes with the appointment of Bob Emmot as development director. Mr Emmot was managing director of specialist businesses at Sainsbury.

Shell shares dip 12p on US results

Shell Oil, the US arm of Royal Dutch-Shell, has reported an 11 per cent decline to \$286m in fourth-quarter profits. Net income for the whole of 1995 came to \$1.52bn, up 199 per cent on 1994, and the best in 10 years, according to the company. But Shell Transport shares dipped 12p to 833p.

COMPANY RESULTS

	Turnover £	Pre-tax £	EPS	Dividend
Central Motor Auctions (P)	11.7m (11.3m)	0.12m (0.07m)	0.50p (0.30p)	0.50p (0.75p)
Colefax and Fowler (Q)	17.9m (17.8m)	0.69m (0.63m)	2.2p (1.98p)	0.75p (0.70p)
Emmot (P)	13.2m (14.4m)	10.4m (11.1m)	42.9p (40p)	16p (12p)
Derby Trust (P)	- (4)	2.91m (2.88m)	18.33p (17.71p)	18.33p (17.71p)
Domestic Printing (P)	106m (88.9m)	5.16m (3.0m)	10.62p (62.9p)	10.16p (9.5p)
Shandwick (P)	160m (152m)	2.53m (7.33m)	1.7p (4.5p)	1.3p (1.3p)
Shell Group (H)	27.5m (30.4m)	2.8m (3.11m)	13.5p (16.4p)	6.66p (4)

market report/shares

Cash calls and CBI gloom provide pause for thought

TAKING STOCK

DATA BANK

FT-SE 100
3735.0 -19.2

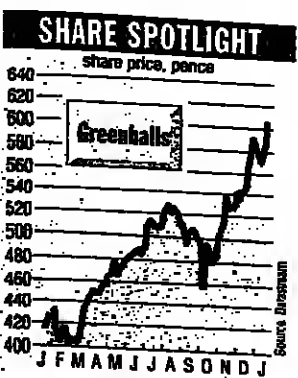
FT-SE 250
4072.4 -5.8

FT-SE 350
1853.4 -8.1

SEAQ VOLUME
752.7m shares

38,043 bargains

Gilts Index
96.1 -0.1



Time to take stock of events of an economic nature was the order of the day in London where dealers paid far more attention to the subdued CBI industrial trends survey than the record-breaking overnight performance on Wall Street.

Shares prices were marked lower from the moment the market opened. The FT-SE 100 share index sported a deficit throughout the session, and finished at the day's low point of 3,735.0, down 19.2.

Gloom arising from the CBI survey, and unexpectedly buoyant M4 figures was compounded by a weak opening on Wall Street. The Dow Jones index was off 30 points when London pulled down the shutters for the night.

Volume trading in UK equities was high, although the final tally of almost 753 million shares that changed hands in 38,043 deals would have been considerably lower but for sev-

eral special situations - notably Granada's victory in the takeover battle for Forte, in which more than 33 million shares alone were traded.

Even a solid raft of takeover rumours failed to inspire investors, whose hopes for a further cut soon in interest rates were dampened considerably by the economic data. Gilts fell immediately after the release of the M4 figures.

The market was in no mood to absorb the two cash calls announced by Furnell and Berkeley Group. Shares in Furnell, which is raising £349m to part-fund the £1.85bn purchase of Premier in the US, returned from suspension and promptly fell 62p to 617p. Berkeley's £73m rights issue led to a 5p fall to 504p.

Few of the 100 leading shares escaped the mark-down treatment. Only two of the handful of leaders that did rise managed to finish with



MARKET REPORT

JOHN SHEPHERD

double-figure gains. They were National Westminster, up 11p to 668p as rumours of a possible bid for Standard Chartered, down 4p to 619p, subsidised; and Kvaerner, formerly known as Bowater, which advanced 10p to 379p on vague talk of a takeover bid being launched from the other side of the Atlantic.

Takeover speculation injected some spark into the electricity sector. Midlands, ahead 10p to 368p, was the main talking point as rumours intensified that it was in bid talks. The shares are set to rise higher today following an after-hours confirmation of an approach. A previous bid for

Midlands by PowerGen, off 2p to 516p, is being scrutinised by the Monopolies and Mergers Commission.

The outcome of the Granada battle with forte caused little surprise. And those who were expecting a close finish were soon persuaded otherwise by an early announcement from Mercury Asset Management that it had pledged its 14.1 per cent stake to Granada.

Forte's last day of independence was marked with a 11p rise to 384p. The shares traded at 382p when the 60-day bid clocked stopped ticking at lunchtime. Granada retreated 18p to 678p.

Analysts and dealers hushed themselves with thoughts about where the cash element of Granada's bid terms would be re-invested, and which leisure stock would next find itself on the end of a bid.

Ladbrokes was marked up 2p to 164p as rumours of a possible bid from Bass, a penny easier to 732p, resurfaced. Whitbread's failure to buy Forte's restaurants was greeted with a 4p fall to 684p.

Whitbread's willingness to show it was prepared to gear up to buy the restaurants has fuelled plenty of speculation about where its acquisitive sights will be targeted next.

Whitbread has 100 fewer pubs than it is allowed under the ceiling imposed by the Beer Orders. Potential targets include Regent Inns, up 29p to 720p, and JD Wetherspoon, ahead 10p to 716p.

Forte's demise was good news for Greenalls. The rapid-

ly-expanding pubs and hotels group is tipped to replace Forte in the FT-SE 100 index. Shares climbed 7p to an all-time high of 604p.

Fears about the possible demise of Fokker, however, overshadowed Rolls-Royce, down 3.5p to 194.5p. The company could lose upwards of £100m of business a year done with Fokker if Daimler-Benz, the planemaker's owner, proceeds with a threat to pull the financial plug.

Rumours about a move by Gehe of Germany to counter Unichem's agreed bid for Lloyds Chemists continued to do the rounds.

Lloyds added 6p to 426p, putting more air between its share price and the value of the cash and share bid from Unichem, off 7p to 246p.

London Clubs, the casino company, had a good session, rising 15p to 459 following an analysts' visit.

Antofagasta Holdings, the mining and banking group, is causing excitement. Shares, up 60p in the last week, rose 10p to 343p yesterday. The talk is that the Chilean authorities have sanctioned the creation of one of South America's largest banking groups, allowing the Laksic family of Chile, majority shareholders in Antofagasta, to pool its banking interests with Banco Central Hispanoamerica. The deal will create a banking group with \$10bn of assets and may result in Antofagasta investors being granted some shares in the new venture.

Institutional investors are said to be queuing to lift holdings in London Scottish Bank, up 2p to 179p. The liquidity of the stock will improve as the company celebrates its centenary with a one-for-one scrip issue.

Share Price Data

Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 50 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Data courtesy of the London Stock Exchange. Source: Financial.

The Independent Index

The index allows you to access real-time share prices by phone from Seaq. Simply dial 0891 333, followed by the 4-digit code printed next to each share. To access the latest financial reports dial 0891 333 followed by one of the two-digit codes below.

FT-SE 100 - Real-time	00	Sterling Rate	04	Privatisation Issues	36
UK Stock Market Report	01	Gold Report	05	Water Shares	38
UK Company News	02	West 8 Report	20	Electricity Shares	40
Foreign Exchange	03	Tokyo Market	21	High Street Banks	41

Anyone with a land-line telephone can use this service. For a detailed description of The Independent Index, including its portfolio facility, phone 0891 333 333. For assistance, call our helpline 071 674 4375 (9.30am - 5.30pm). Calls cost 33p per minute (cheap rates), and 40p at all other times. Call charges include VAT.

Market leaders: Top 20 volumes

Stock	Volume	Stock	Volume	Stock	Volume	Stock	Volume
Fortis	300,000	Telegraph House	100,000	British Gas	50,000	Cable & Wireless	50,000
ASDA Group	100,000	Heron	80,000	BT	50,000	Barclays	50,000
Lloyds	70,000	West 8	70,000	BT	50,000	Barclays	50,000
Rolls Royce	60,000	USAO	70,000	BT	50,000	Barclays	50,000
Garrett	20,000	BT	60,000	National Grid	50,000	REXAM	40,000

FT-SE 100 index hour by hour

Open 3767.5 down 2.5	11.00 3764.0 down 13.5	14.00 3761.5 down 2.5
09.00 3767.5 down 10	12.00 3758.0 down 14.5	16.00 3757.0 down 1.5
10.00 3753.0 down 10.4	13.00 3762.0 down 14.5	Close 3755.0 down 19.2

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

Stock	Price	Chg	Yld	P/E	Stock	Price	Chg	Yld	P/E
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5
Admiral	480	+	4.8	12.5	British Gas	194.5	-	4.5	12.5

24.18	15.13	Novo Group	15.13	15.13	Novo Group	15.13	15.13
18.18	15.13	P.P.P.	15.13	15.13	P.P.P.	15.13	15.13
18.18	15.13	Pago M	15.13	15.13	Pago M	15.13	15.13
18.18	15.13	P&G	15.13	15.13	P&G	15.13	15.13
18.18	15.13	Pegasus	15.13	15.13	Pegasus	15.13	15.13

Foreign Exchange Rates

STERLING				DOLLAR				D-MARK	
Country	Spot	1 month	3 months	Country	Spot	1 month	3 months	Country	Spot
US	154.42	22.43	21.25	UK	0.75	0.2	0.5	Japan	1.00
Canada	27.63	6.4	5.37	France	16.58	39.15	36.47	West Germany	1.48
France	16.58	39.15	36.47	Italy	26.42	62.77	59.27	Switzerland	1.48
Germany	16.67	39.15	36.47	Spain	16.36	0.2	0.5	Netherlands	1.48
Italy	26.42	62.77	59.27	Portugal	20.48	0.2	0.5	Belgium	1.48
Japan	10.00	0.2	0.5	Sweden	1.48	0.2	0.5	Denmark	1.48
South Africa	12.58	3.42	3.12	Norway	1.48	0.2	0.5	Finland	1.48
Denmark	13.58	3.42	3.12	Greece	1.48	0.2	0.5	Czechoslovakia	1.48
Sweden	13.58	3.42	3.12	Yugoslavia	1.48	0.2	0.5	Slovakia	1.48
Netherlands	13.58	3.42	3.12	Czechoslovakia	1.48	0.2	0.5	Hungary	1.48
Belgium	13.58	3.42	3.12	Slovakia	1.48	0.2	0.5	Poland	1.48
France	16.67	39.15	36.47	Hungary	1.48	0.2	0.5	Czech Republic	1.48
Germany	16.67	39.15	36.47	Poland	1.48	0.2	0.5	Slovakia	1.48
Italy	26.42	62.77	59.27	Czech Republic	1.48	0.2	0.5	Hungary	1.48
Spain	16.36	0.2	0.5	Slovakia	1.48	0.2	0.5	Poland	1.48
Portugal	20.48	0.2	0.5	Hungary	1.48	0.2	0.5	Czech Republic	1.48
Sweden	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Slovakia	1.48
Norway	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Hungary	1.48
Finland	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Poland	1.48
Greece	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Czech Republic	1.48
Yugoslavia	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Slovakia	1.48
Czechoslovakia	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2	0.5	Slovakia	1.48	0.2	0.5	Hungary	1.48
Slovakia	1.48	0.2	0.5	Hungary	1.48	0.2	0.5	Poland	1.48
Hungary	1.48	0.2	0.5	Poland	1.48	0.2	0.5	Czech Republic	1.48
Poland	1.48	0.2	0.5	Czech Republic	1.48	0.2	0.5	Slovakia	1.48
Czech Republic	1.48	0.2							

SPORT

£40,000 to be won
See Page 22

ROB ANDREW
Newcastle's rugby messiah

22

Sky given chance to capture the Open

GOLF

TIM GLOVER AND
MATTHEW HORSMAN

The Open Championship, one of the largest remaining jewels in the BBC's sporting crown, is courting satellite television. The Royal and Ancient, which runs the Open, has approached BSkyB through an intermediary and is discussing a deal worth £25m over five years. The BBC is paying less than £1m a year.

As the new Broadcasting Bill makes its way through Parliament, with support emerging to

protect eight major sport events from falling into the hands of BSkyB, the Open is left to its own devices. The event is synonymous with the BBC but the television contract expires after the 125th Open at Royal Lytham in July. The Open is not one of the "listed" events - the Olympic Games, the World Cup, Test cricket, Wimbledon, the Grand National, the Derby, the FA Cup final and the Scottish FA Cup final - prevented by current legislation from being broadcast on pay-TV.

The success of the Open, which makes a profit of £3-4m

a year, makes the R and A financially self-sufficient but it needs more to develop the game at grass roots. Through an intermediary, TWI, the television arm of Mark McCormack's International Management Group, it is testing the water with subscription television.

Sky had no official comment, but is known to be interested in expanding its coverage of major golf events, following a controversial deal reached last year to broadcast the Ryder Cup exclusively on pay-TV.

According to informed sources, the discussions will resume in earnest once TWI has

ascertained whether the BBC is prepared to match Sky's offer.

"Any sporting organisation that invites us to have discussions will always be welcome," a Sky source said.

The prospect of a satellite dish appearing as a fixture on the skyline atop the granite and hallowed walls of the R and A clubhouse at St Andrews, a links which has borne witness to 600 years of golfing history, would probably have most members shuddering. Nevertheless, it remains a strong possibility.

"We have already established that we are interested," Michael

Bonallack, secretary of the R and A, said yesterday. "We haven't had any direct talks with Sky but we have asked TWI to advise us on what we can get. We want them to tell us what the Open is worth as a television medium. Of course, we don't have to accept what we are told."

Bonallack, who was one of the game's great amateur players, said the R and A has a dilemma. The BBC pays less than £1m, but guarantees a huge television audience. Sky, on the other hand, has the money but a limited number of viewers. "Ideally we want the Open to be seen by as many people as possible," Bonallack

said. "The trouble is that thousands of youngsters who then see the game and want to play it discover there are not enough courses or it is too expensive for them. Our policy is to put money back into golf to enable them to play but there's not much point if the facilities don't exist. We could use more money to invest."

Last year the Ryder Cup, another traditional centrepiece of the BBC's golf coverage, went to Sky for the first time. Sky show extensive coverage of the American Tour and several European Tour events. Last year they took over the British Masters at Collingtree when no sponsor

could be found. They stepped in and the BBC, who had the rights to the tournament, withdrew.

The loss of the Open would be a grievous blow to the BBC, who have recently seen the FA Cup final and the Formula One grand prix circuit snatched up by ITV. Sky is also preparing a substantial bid for rugby union's Five Nations' Championship.

Sky is understood to have offered £25m for a five-year deal but Bonallack said the figure was news to him and he added: "We've still got to talk with the BBC." A spokesman for TWI said: "Like any good rights owner the R and A is looking at all

the opportunities. Our role is to see what the market is offering, the upsides and downsides. We are meeting all the broadcasters."

When the Open was last held at Royal Lytham in 1988, prize-money was £700,000 with the winner, Seve Ballesteros, taking £80,000. This year the total purse is £1.4m and the champion will win £200,000. With guidance from McCormack, who helped the Wimbledon tennis championships to maximise profits, the Open has steadily become more commercialised and three years ago, for the first time, allowed advertising hoardings to appear on course.

Walker blocks Batty departure

Football

ALAN NIXON

Jack Walker has blocked a £3.5m bid by Newcastle United to sign David Batty. The Blackburn Rovers owner called a halt to negotiations on the sale of the unsettled midfielder even though Kevin Keegan came up with a vastly improved offer which the Blackburn manager, Ray Harford, was prepared to accept.

It is understood that Walker, who has the final say in transfer matters, does not favour selling "a big player to a rival club", and will want more cash before he considers letting Batty go.

Blackburn are holding out for £4m for Batty, who may now ask for a transfer. He was led to believe he was on his way to Newcastle to play the central midfield role he prefers. The only way to kickstart the transfer is if Batty demands to leave, but it would cost him money in signing-on fees and loyalty payments. Blackburn have also turned down a £3m offer from Arsenal for their captain, Tim Sherwood.

Faustino Asprilla could become a Newcastle player before the weekend. The Colombian striker met Keegan yesterday afternoon to discuss his proposed £6.7m transfer from Parma. "Between the two clubs we

have more or less agreed the fee that should be paid," Gianbatista Pastorello, the Italian club's general director, said.

"The player himself wants to go to Newcastle but at this stage nothing has been signed. We will be seeing Newcastle again tomorrow because so far we have just had a general chat, but everything seems to be in agreement at this stage."

One factor that could dissuade Asprilla from moving to Tyneside is the weather - he has often complained about the cold in Italy. Newcastle will also have to match his wages, believed to be around £20,000 a week.

Birmingham last night pulled out of a deal that would have made Vinnie Samways, the Everton midfielder, their first seven-figure signing. Samways, who has been on loan at Wolves, is available for £1.5m, but Birmingham were not prepared to go beyond £1.2m or to meet the player's personal demands.

Manchester City yesterday completed the £250,000 signing of the international defender Michael Frontzeck from Borussia Mönchengladbach.

Darren Anderton could be challenging for a Tottenham place in a fortnight after his successful return to reserve team action, following a groin operation in September. Everton have placed their defender Matt Jackson on the transfer list at his own request.

Mervyn Day, the former West Ham goalkeeper, has been appointed manager of Carlisle United, whose director of coaching, Mick Wadsworth, has become assistant manager at Norwich City.

No Dalglish for Ireland

Kenny Dalglish yesterday discounted himself as a candidate for the vacant Republic of Ireland manager's job.

Blackburn's director of football, who was in Portugal playing golf, was reported to be "fuming" that the Football Association of Ireland had leaked his presence on the shortlist for the interviews in London today and tomorrow, demanding the FA issue a statement saying he was no longer interested.

"There are other people apart from Kenny who will be interviewed and we understand that Kenny has got a very important role to play with Blackburn," the FAI chief executive, Sean Connolly, said.

The Millwall manager, Mick McCarthy, a former Republic captain, and Wimbledon's manager, Joe Kinnear, another former Irish international, are

likely candidates, as is Dave Bassett, late of Sheffield United.

McCarthy is favourite to succeed Jack Charlton, who left in December after the Republic's failure to qualify for the European Championship finals.

The Republic, who have only one confirmed friendly for the rest of this season, a visit to the Czech Republic on 27 March, start their World Cup qualifiers on 31 August in Liechtenstein. This is where the rot started in their attempt to qualify for Euro 96, when they were held to a goalless draw in June by a side gaining their first (and so far only) international point.

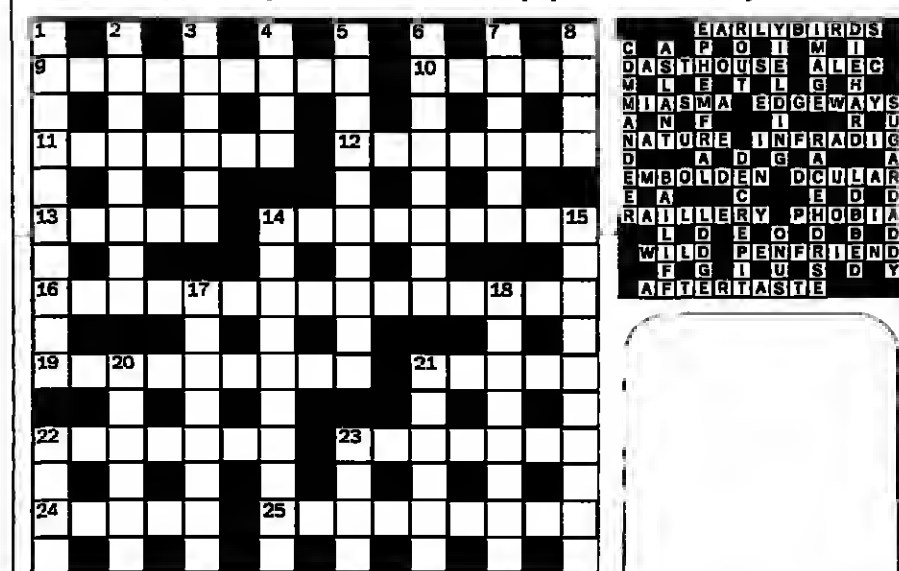
IRELAND'S WORLD CUP QUALIFIERS: Saturday 31 August 1996: Liechtenstein (a); Wednesday 9 October: Macedonia (h); Sunday 10 November: Iceland (h); Wednesday 2 April 1997: Macedonia (a); Wednesday 30 April: Norway (a); Saturday 7 June: Liechtenstein (h); Wednesday 20 August: Lithuania (h); Saturday 6 September: Iceland (a); Wednesday 9 September: Lithuania (a); Wednesday 11 October: Romania (h).

THE INDEPENDENT CROSSWORD

in association with



No. 2891, Wednesday 24 January By Aquila Yesterday's Solution



- ACROSS**
- Biography's to affirm what gives timely help (4-5)
 - Army recruits one for lifting tackle (5)
 - Swiss madam, we hear, with models still to be seen in London (7)
 - Conspiracy to institute at university (5-2)
 - Antelope in animation by Disney, originally (5)
 - Chad alter and restore the one in Lichfield? (9)
 - Pope illicitly turning top envoy? (15)
 - Sparklers most seen set on ring, finally (9)
 - Cold, quiet grave (5)
- DOWN**
- Defame a society by itself? (7)
 - Practice at home ground (7)
 - Lunatic red official holds this belief (5)
 - Number in Venice? (9)
 - Pulling the cops' leg? That will hold things up! (7-3)
 - Canceled play not seen by audience (8)
 - Man, for example, exists on earth (6)
 - Roman author of "The Moon and Sisyphus"? (4)
 - Futile, taking first slope wrecklessly (10)
 - Most reasonable in confine primate in strongbox (8)
- 7** Such an accelerator might make stripe on a road (6)
- 8** Face of favourites on the way back? (4)
- 14** Porcelain trophy presented before classic race? (5,5)
- 15** He has not been ordained, having changed robe at Rhyd (3-7)
- 17** Joined forces (8)
- 18** End of drive? (8)
- 20** One who plots motorway needs unrestricted paper (6)
- 21** Underground was endlessly busy in the wars (6)
- 22** Feature of a familiar church (4)
- 23** List of hard-wood ship (4)

Win a Weekend Break or a case of Bombardier Premium Bitter
CALL 0891 311 017

When you have the answers to the first three clues across AND the first three clues down phone 0891 311 017 and leave your answers with your name, address and daytime telephone number by midnight tonight. Each day there is a case of Charles Wells Bombardier Premium Bitter to win. PLUS from all entries for the week a winner will be selected for a Weekend Break for two in a Charles Wells Country Hotel. Winners will be selected at random from all correct entries received. No cash alternative. Normal Newspaper Publishing rules apply. Editors decision is final. Winners names can be obtained by sending an SAE to - Charles Wells Crossword, Unit A, Bowe House, St Peter's Road, Maidenhead SL6 7OU



Chanda Rubin attacks Arantxa Sanchez Vicario in their 3hr 33min marathon match at Flinders Park yesterday. Rubin eventually knocked out the third seed to reach the semi-finals. Report, page 23; photograph: Empics.

'Hurricane' Higgins comes close to blowing himself out

It is not so long ago that a poster campaign to sell a snooker tournament needed only two words: Hurricane Warning. Yesterday, Alex Higgins went unthilled and barely applauded as he tried to breathe life into a career that is not so much unconscious as resembling a corpse.

A strong wind was still pulling in the punters from the prom on Blackpool's North Shore, but it was not the "Hurricane" that tempted them in from the cold, rather Gail from Coronation Street and the theme attraction based on the television series. Higgins' struggles went almost unnoticed.

True, the most famous snooker player of them all had a capacity audience as he began the long haul towards an appearance in the Embassy World Championships, but in the claustro-

Guy Hodgson reports from Blackpool on a champion's decline

phobic boxes that these qualifying matches are performed in, that amounted to a crowd of 18. Frankly, the champion of 1972 and 1982 had every reason to be thankful so many had bothered.

This season has been a nightmare for Higgins, who has flopped almost every time he has chalked the tip of his cue. Until yesterday, he had not qualified for a single event, had lost all but one of his 11 matches and his frame score was a pathetic 17 for, 49 against.

His match with Surinder Gill at the Norbreck Castle Hotel was his last chance to avoid a

total wash-out in tournaments for the first time since the 1990-91 season. Then he had the decent, if hardly admirable, alibi that he was serving a suspension.

Once in the world's top three, the Irishman's provisional ranking yesterday had fallen to 61st. With tournaments proper to follow, the number facing him is outside 100 and flirting with snooker's underclass of 128 and beyond.

To see him now is to understand why. Once energetic, fuelled by a thirst for alcohol, seemed to flow through him. He was a hyperactive and brilliant rebel who was perceived to be kicking against sport's conventions. Yesterday, he looked barely capable of drawing back a foot.

His opponent, Gill, is so prominent within snooker that his biggest claim to fame is one appearance at The Crucible where Stephen Hendry used him as cannon fodder. However, he still looked better than an opponent who can claim, with justification, that he helped put the sport on the map.

The first frame was an excruciating safety battle lasting nearly 32 minutes and that, as far as Higgins was concerned, set an unalterable pattern. There were no outrageous pots, no swift thrusts leaving Gill defenceless, just a slow, steady decline. In short, he achieved what no one could ever have anticipated - he bored.

He was losing too. A flicker of resistance was apparent when he pulled back from 0-2 to 3-4, but that was a false hope and three successive frames were lost to leave Gill 6-3 ahead after the afternoon session. Higgins needed seven frames in the evening to put himself within two matches of The Crucible. No, he needed a miracle.



Missing his cue: Alex Higgins struggles in his quest to qualify for The Crucible. Photograph: Simon Willkinson

©Published by Newspaper Publishing PLC, 1 Canada Square, Canary Wharf, London E14 5DL and printed at Mirror Colour Press, St Albans Road, Watford. Back issues available from Historic Newspapers, 0800 906609. Wednesday 24 January 1996 Registered as a newspaper with the Post Office.

Dourthe admits his guilt

Rugby Union

STEVE BAILE

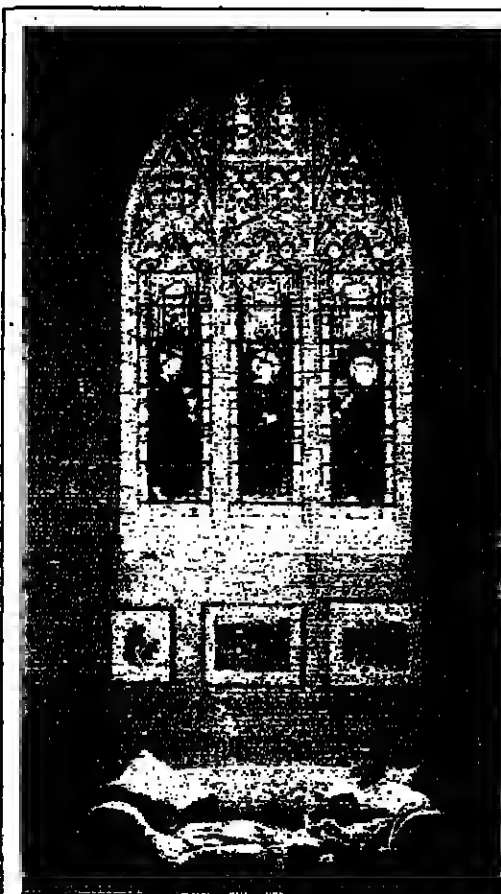
Confession may be good for Richard Dourthe's soul but it has done nothing for the 21-year-old French centre's international career. Yesterday he owed up to stamping on Ben Clarke's head during last Saturday's France-England match and thereby condemned himself to a Test ban of probably two matches.

"I have no excuses," he said. "I was stupid, really stupid. The English were pressing really hard and I had a lot of adrenalin going. The ball wasn't released when he went to ground in a ruck and I just gave him a poke. I know I should not have done it and I am going to have to pay for it. I hope it teaches me to control myself."

The England No 8 was off the field for nine minutes while having stitches inserted after the incident, which may not have been picked up but for the vigilance of BBC's *Rugby Special*. Clarke himself was unaware of how his injury had occurred, and the French federation is considering the matter only at the instigation of the Rugby Football Union.

Dourthe is now likely to miss France's matches in Scotland on Saturday week and against Ireland in Paris a fortnight later. "I condemn brutality and Dourthe will be sanctioned," Jean-Claude Skrela, the French coach, said yesterday.

Brian Moore, the former England hooker, has retired from first-class rugby. Moore stepped down from from international rugby earlier this season but had been expected to carry on playing for his club, Harlequins. "I may play some junior rugby next season but at the moment I'm just enjoying my first real break from the game," he said.



Save money on your home insurance and spend a little extra on your home.

EAGLE STAR
Direct

0800 333 800

Phone for a free quote weekdays 9am-5pm, Saturday 9am-2pm. Not available in Northern Ireland.